SUNNY 1 SPV S.R.L.

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

Euro 450,000,000 Class A Asset Backed Floating Rate Notes due December 2040

Issue Price: 100 per cent.

*This prospectus (the "**Prospectus**") contains information relating to the issuance by Sunny 1 SPV S.r.l. (the "**Issuer**"), a limited liability company organised under the laws of the Republic of Italy, of the Euro 450,000,000 Class A Asset Backed Floating Rate Notes due December 2040 (the "**Class A Notes**" or the "**Senior Notes**") on 22 December 2014 (the "**Issue Date**"). In connection with the issuance of the Senior Notes, the Issuer will issue the Euro 281,331,000 Class B Asset Backed Floating Rate Notes due December 2040 (the "**Class B Notes**" or the "**Junior Notes**"). This Prospectus is issued pursuant to Article 2, paragraph 3, of Italian Law No. 130 of 30 April 1999 (the "**Securitisation Law**") in connection with the issuance of all the Notes. This Prospectus is a prospectus for the Senior Notes for the purpose of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended (the "**Prospectus Directive**") including any implementing measure in Ireland. The Class B Notes are not being offered pursuant to this Prospectus.*

*The 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. Application has been made to the Irish Stock Exchange for the Senior Notes to be listed on the official list of the Irish Stock Exchange and to be admitted to trading on its regulated market (the "**Main Securities Market**"). Such approval relates only to the Senior Notes which are to be admitted to trading on the Main Securities Market or other regulated markets for the purposes of Directive 2004/39/EC. No application has been made to list the Junior Notes on any stock exchange.*

*The net proceeds of the offering of the Notes will be mainly applied by the Issuer to fund the purchase of a portfolio of monetary claims and connected rights (the "**Portfolio**" and the "**Receivables**", respectively) arising under financial lease contracts originally entered into between Banca Italease S.p.A. (or by companies belonging to the Banca Italease Group) or Mediocreval S.p.A. and the lessees thereunder (the "**Lessees**"), and subsequently transferred to Alba Leasing S.p.A. (the "**Originator**" or "**Alba Leasing**") pursuant to deeds of contribution of going concern (atti di conferimento di ramo d'azienda). The Portfolio has been purchased by the Issuer from the Originator under the terms of a transfer agreement executed pursuant to the Securitisation Law on 5 December 2014, as amended on or about the Issue Date (the "**Transfer Agreement**"). The principal source of payment of interest and repayment of principal on the Notes will be collections and recoveries made from or in respect of the Portfolio.*

*By virtue of the operation of Article 3 of the Securitisation Law, the Issuer's right, title and interest in and to the Portfolio, any monetary claim of the Issuer under the Transaction Documents and all cash-flows deriving from both of them and any Eligible Investments purchased therewith (the "**Segregated Assets**") will be segregated from all other assets of the Issuer (including any other portfolios of receivables purchased by the Issuer pursuant to the Securitisation Law) and any cash-flow deriving therefrom (to the extent identifiable) will be available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders and to the Other Issuer Creditors or to any other creditors of the Issuer in respect of any costs, fees and expenses in relation to the Securitisation, in priority to the Issuer's obligations to any other creditors.*

*Interest on the Notes will accrue from the Issue Date on a daily basis in Euro and be payable on 22 March 2015 (the "**First Payment Date**") and thereafter quarterly in arrears on 22 December, 22 March, 22 June and 22 September in each year (provided that, if such day is a Saturday or a Sunday or is not a day on which banks are generally open for business in Milan, London and Luxembourg and on which the Trans-European Automated Real Time Gross Transfer System (TARGET2) (or any successor thereto) is open (a "**Business Day**"), then interest on such Notes will be payable on the next Business Day) (each, a "**Payment Date**"). The rate of interest applicable to the Notes for each period from (and including) a Payment Date to (but excluding) the following Payment Date (each, an "**Interest Period**", provided that the first Interest Period (the "**Initial Interest Period**") shall begin on (and include) the Issue Date and end on (and exclude) the First Payment Date) shall be the rate per annum equal to the Euro-zone inter-bank offered rate ("**Euribor**") for three month deposits in Euro determined in accordance with Condition 7 (Interest) ("**Euribor**"), plus the following relevant margins (each, a "**Relevant Margin**"):*

(i) 1,5% per annum, in respect of the Senior Notes; and

(ii) 2% per annum, in respect of the Junior Notes.

*The Notes will be subject to mandatory redemption in whole or in part on each Payment Date. Unless previously redeemed in accordance with their applicable terms and conditions (the "**Conditions**"), the Notes will be redeemed on the Payment Date falling on December 2040 (the "**Final Maturity Date**"). The Notes of each Class will be redeemed in the manner specified in Condition 8 (Redemption, Purchase and Cancellation). Before the Final Maturity Date, the Notes may be redeemed at the option of the Issuer at their Principal Amount Outstanding together with accrued interest to the redemption date under Condition 8.3 (Optional Redemption) and Condition 8.4 (Redemption for Taxation).*

If the Notes cannot be redeemed in full on the Final Maturity Date following the application of all funds available, as a result of the Issuer having insufficient funds available to it in accordance with the Conditions for application in or towards such redemption, the Issuer will have no other funds available to it to be paid to the Noteholders, because the Issuer has no assets other than those described in this Prospectus. If any amounts remain outstanding in respect of the Notes upon expiry of the Final Maturity Date, such amounts (and the obligations to make payments in their respect) will be deemed to be released by the Noteholders and the Notes will be cancelled.

All payments of principal and interest on the Notes will be made free and clear of any withholding or deduction for Italian withholding taxes, subject to the requirements of Legislative Decree No. 239 of 1 April 1996 as subsequently amended and supplemented, unless the Issuer is required by any applicable law to make such a withholding or deduction. If any withholding tax is applicable to the Notes, payments of interest on, and principal of the Notes will be made subject to such withholding tax, without the Issuer or any other Person being obliged to pay any additional amounts to any holder of Notes of any Class as a consequence.

*The Notes will be held in dematerialised form on behalf of the Noteholders as of the Issue Date until redemption or cancellation thereof by Monte Titoli S.p.A. ("**Monte Titoli**") for the account of the relevant Monte Titoli Account Holders. The expression "**Monte Titoli Account Holders**" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli and includes any depository banks appointed by Clearstream Banking S.A. ("**Clearstream**") and Euroclear Bank S.A./N.V., as operator of the Euroclear System ("**Euroclear**"). Monte Titoli shall act as depository for Clearstream and Euroclear. The Notes will at all times be evidenced by book-entries in accordance with the provisions of Article 83-bis of the Legislative Decree No. 58 of 24 February 1998 and with Regulation jointly issued by Commissione Nazionale per le Società e la Borsa ("**CONSOB**") and the Bank of Italy on 22 February 2008, as amended from time to time.*

It is not expected that the Notes will, upon issue, be assigned a credit rating.

*The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or the securities laws of any other jurisdiction. Accordingly, the Notes are being offered and/or sold only outside the United States in accordance with 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 (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. See the section headed "Subscription and Sale".*

The Originator will on the Issue Date subscribe for all of the Notes. It is intention of the Originator, as initial Noteholder, to initially use the Senior Notes, in full or in part, as collateral in repurchase transactions and/or liquidity transactions with qualified investors and to ultimately offer and sell the Senior Notes to other investors. In particular, after the Issue Date, the Senior Notes Subscriber may enter into repurchase transactions with J.P. Morgan Securities plc (or one of its affiliates) in respect of some or all of the Senior Notes; under such transactions, J.P. Morgan Securities plc (or one of its affiliates), in its capacity as repo counterparty, may exercise voting rights in respect of the Senior Notes held by it also in a manner that may be prejudicial to other Noteholders.

The Originator will subscribe the Class B Notes and has undertaken, under the Intercreditor Agreement and the Senior Notes Subscription Agreement, that it will retain at the origination and maintain on an on-going basis a material net economic interest of at least 5% in the Transaction in accordance with option (1)(d) of Article 405 of Regulation (EU) No. 575/2013 and option (1)(d) of Article 51 of the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012. As at the Issue Date, such interest will be comprised of an interest in the first loss tranche (being the Junior Notes).

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

Arranger

J.P. Morgan

Dated 19 December 2014

RESPONSIBILITY STATEMENTS

None of the Issuer, the Arranger or any other party to the Transaction Documents other than the Originator (in relation to the Portfolio) has undertaken or will undertake any investigations, searches or other actions to verify the details of the Portfolio sold to the Issuer, nor has any of the Issuer, the Arranger or any other party to the Transaction Documents (other than the Originator in relation to the Portfolio) undertaken, nor will they undertake, any investigations, searches, or other actions to establish the existence of any of the monetary claims in the Portfolio or the creditworthiness of any Lessee.

The Issuer accepts responsibility for the information contained in this Prospectus. To the best knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is true and does not omit anything likely to affect the import of such information. The Issuer, having made all reasonable enquiries, confirms that this Prospectus contains all information which is material in the context of the issuance and offering of the Notes, that the information contained in this Prospectus is true and accurate in all material respects and is not misleading, that the opinions and intentions expressed in this Prospectus are honestly held and that there are no other facts the omission of which would make this Prospectus or any of such information or the expression of any such opinions or intentions misleading. The Issuer accepts responsibility accordingly.

*Alba Leasing accepts responsibility for the information contained in this Prospectus in the relevant parts of the sections headed "The Portfolio", "Collection Policies" and "The Originator and the Servicer" and any other information contained in this Prospectus relating to itself, the collection procedures, the Receivables and the Lease Contracts (each as defined in the section entitled "**Glossary of Terms**"). To the best knowledge and belief Alba Leasing (which has taken all reasonable care to ensure that such is the case), the information and data in relation to which it is responsible as described above are true and do not omit anything likely to affect the import of such information.*

BNP Paribas Securities Services has provided the information under the section headed "The Paying Agent, the Account Bank and the Listing Agent" and accepts responsibility for the information contained in that section. To the best of the knowledge and belief of BNP Paribas Securities Services (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. Save as aforesaid, BNP Paribas Securities Services has not, however, been involved in the preparation or distribution of, and do not accept responsibility for, this Prospectus or any part hereof.

Zenith Service S.p.A. has provided the information under the section headed "The Representative of the Noteholders, the Computation Agent and the Corporate Servicer Provider" below and accepts responsibility for the information contained in that section. To the best of the knowledge and belief of Zenith Service S.p.A. (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. Save as aforesaid, Zenith Service S.p.A. has not, however, been involved in the preparation or distribution of, and do not accept responsibility for, this Prospectus or any part hereof.

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 Issuer, the Representative of the Noteholders, the Servicer, the Corporate Services Provider, the Back-Up Servicer (if any), the Account Bank, the Paying Agent, the Cash Manager, the Computation Agent, the Subordinated Loan Provider, the Listing Agent and the Quotaholder (each as defined below in the section entitled "Principal Parties"), or Alba Leasing (in any capacity under the Transaction Documents). None of the aforementioned parties, other than the Issuer (and, to the extent set forth above, Alba Leasing, BNP Paribas Securities Services and Zenith Service S.p.A.) makes any representation, warranty or undertaking, express or implied, or accepts responsibility for the accuracy or completeness of the information contained in this Prospectus or part thereof or any other information provided by the Issuer in connection with the Notes. Neither the delivery of this Prospectus nor any sale or allotment made in connection with the offering of any of the Notes shall, under any circumstances, constitute a representation or imply that there has been no change in the affairs of the Issuer, Alba Leasing, BNP Paribas Securities Services and Zenith Service S.p.A. or the information contained herein since the date hereof or that the information contained herein is correct as of any time subsequent to the date hereof.

The Arranger accepts no responsibility for the information contained in this Prospectus or any other information provided by the Issuer, the Originator or the other Transaction Parties in connection with the Notes.

The Notes shall be direct, secured limited recourse obligations solely of the Issuer. In particular, the Notes shall not be obligations or responsibilities of, or guaranteed by, any of the Representative of the Noteholders, the Servicer, the Subordinated Loan Provider, the Corporate Services Provider, the Back-Up Servicer (if any), the Account Bank, the Paying Agent, the Cash Manager, the Computation Agent, the Listing Agent, Alba Leasing (in any capacity under the Transaction Documents), the Arranger or the Quotaholder. Furthermore, none of the Principal Parties (other than the Issuer) nor Alba Leasing accepts any liability whatsoever in respect of any failure by the Issuer to make payment of any amount due on the Notes.

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

The Arranger does not make any representation, warranty or undertaking, express or implied, to any prospective investor or purchaser of the Notes nor it accepts any responsibility regarding the legality of any investment in the Notes by any such prospective investor or purchaser under applicable investment or similar laws or regulations.

The Notes have not been and shall not be registered under 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 U.S. or for the benefit of U.S. Persons (as defined in Regulation S). See the section entitled "Subscription and Sale" below.

The Notes may not be offered or sold directly or indirectly, and neither this Prospectus nor any other prospectus, form of application, advertisement, other offering material or other information relating to the Issuer or the Notes may be issued, distributed or published in any country or jurisdiction (including the Republic of Italy, the United Kingdom and the United States), except under circumstances that will result in compliance with all applicable laws, orders, rules and regulations. No action has or will be taken which would allow an offering of the Notes to the public ("offerta al pubblico di prodotti finanziari") in the Republic of Italy. 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. For a further description of certain restrictions on offers and sales of the Notes and the distribution of this Prospectus see the section entitled "Subscription and Sale" below.

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

*Capitalised words and expressions in this Prospectus shall, except so far as the context otherwise requires, have the same meanings as those set forth in the section entitled "***Glossary of Terms***".*

These and other terms used in this Prospectus are subject to the definitions of such terms set forth in the Transaction Documents, as amended from time to time.

Certain monetary amounts 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 that precede them.

The language of the Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

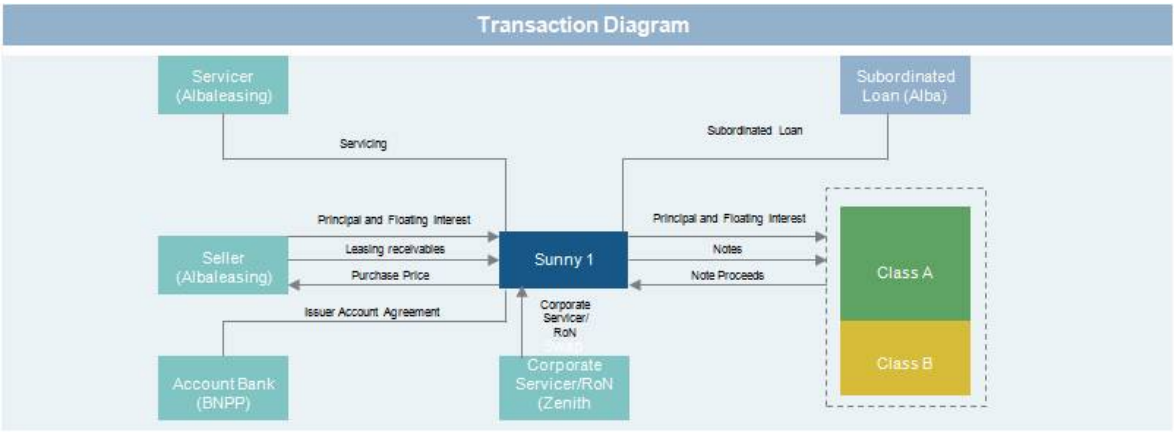
*In this Prospectus references to "**Euro**", "**EUR**", "**€**" and "**cents**" are to the single currency introduced in the member states of the European Community which adopted the single currency in accordance with the Treaty of Rome of 25 March 1957, as amended by, inter alia, the Single European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

In compliance with the requirements of the Irish Stock Exchange, this Prospectus is available on the website of the Irish Stock Exchange (www.ise.ie).

Any web-site referred to in this Prospectus does not form part of the same.

TABLE OF CONTENTS

TRANSACTION DIAGRAM



TRANSACTION OVERVIEW

The following is an overview of certain aspects of the transactions relating to the Notes and should be read in conjunction with, and is qualified in its entirety by reference to, the detailed information presented elsewhere in this Prospectus and in the Transaction Documents. All capitalised words and expressions used in this Transaction Overview, not otherwise defined, shall have the meanings ascribed to such words and expressions elsewhere in this Prospectus or in the "Glossary of Terms".

THE PRINCIPAL PARTIES

ISSUER	**SUNNY 1 SPV S.R.L.**, a limited liability company (*società a responsabilità limitata*) incorporated in the Republic of Italy under Article 3 of the Securitisation Law, with a paid-in share capital of Euro 10,000, whose registered office is located at Via Gustavo Fara, 26, Milan, Italy, fiscal code VAT Number and registration with the Register of Enterprises of Milan under No. 08814370964 and in the register of the securitisation companies (*elenco società di cartolarizzazione*) held by the Bank of Italy pursuant regulation issued by the Bank of Italy on 1 October 2014, under No. 35160.1, having as its sole corporate object the performance of securitisation transactions under the Securitisation Law (the "**Issuer**").
ORIGINATOR	**ALBA LEASING S.P.A.**, a joint-stock company (*società per azioni*) incorporated in the Republic of Italy, having its registered office at Via Sile 18, 20139 Milan, Italy, with paid-in share capital of Euro 357,953,058.13, fiscal code VAT Number and registration with the Companies' Register in Milan No. 06707270960, enrolled in the general register and special register held by the Bank of Italy pursuant to Article 106 of the Consolidated Banking Act under No. 41763 and in the special register and special register held by the Bank of Italy pursuant to Article 107 of the Consolidated Banking Act under No. 33627.1 (the "**Originator**" or "**Alba Leasing**").
SERVICER	**ALBA LEASING**, or any other person from time to time acting as servicer pursuant to the Servicing Agreement (the "**Servicer**").
BACK-UP SERVICER	Means the entity which may be appointed by the Issuer as back-up servicer upon the occurrence of a Cash Reserve Trigger Event or upon reasonable request of the Senior Noteholders pursuant to the Back-Up Servicing Agreement (the "**Back-Up Servicer**"). The Back-Up Servicer, if and when appointed, will be required to accede to the Intercreditor Agreement and the Master Definitions Agreement.
COMPUTATION AGENT	**ZENITH SERVICE S.P.A.**, a company incorporated under the laws of Italy, with registered office in Rome and its administrative office in Via Gustavo Fara 26, Milan, Fiscal Code and VAT

	number 02200990980, registered in the Register of Enterprises of Rome under number 02200990980, with paid-in share capital of Euro 2,000,000, enrolled in the general register and special register held by the Bank of Italy pursuant to Article 106 of the Consolidated Banking Act under No. 32819 and in the special register and special register held by the Bank of Italy pursuant to Article 107 of the Consolidated Banking Act under No. 32590.2 ("**Zenith Service**"), acting as computation agent pursuant to the Cash Allocation Management and Payment Agreement (the "**Computation Agent**").
ACCOUNT BANK	**BNP PARIBAS SECURITIES SERVICES, MILAN BRANCH**, a bank incorporated under the laws of the Republic of France as a *société en commandite par actions*, having its registered office at 3 Rue d'Antin, 75002 Paris, France, acting through its Milan branch with offices at Via Ansperto, 5, 20123 Milan, Italy, fiscal code and enrolment with the companies register of Milan number 13449250151, registered under number 5483 with the register of banks held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act, or any other entity from time to time acting as account bank pursuant to the Cash Allocation Management and Payment Agreement (the "**Account Bank**" or "**BNP Paribas Securities Services**").
PAYING AGENT	**BNP PARIBAS SECURITIES SERVICES, MILAN BRANCH**, or any other person from time to time acting as paying agent pursuant to the Cash Allocation Management and Payment Agreement (the "**Paying Agent**" or "**BNP Paribas Securities Services**").
CASH MANAGER	**ALBA LEASING**, or any other person from time to time acting as cash manager pursuant to the Cash Allocation Management and Payment Agreement (the "**Cash Manager**").
SUBORDINATED LOAN PROVIDER	**ALBA LEASING**, acting as subordinated loan provider pursuant to the Subordinated Loan Agreement (the "**Subordinated Loan Provider**").
REPRESENTATIVE OF THE NOTEHOLDERS	**ZENITH SERVICE**, or any other person from time to time acting as representative of the Noteholders pursuant to the Subscription Agreements, the Conditions, the Rules of the Organisation of the Noteholders, the Intercreditor Agreement and the other Transaction Documents (the "**Representative of the Noteholders**").
CORPORATE SERVICER	**ZENITH SERVICE**, or any other person from time to time acting as corporate servicer pursuant to the Corporate Services Agreement (the "**Corporate**

	Servicer").
QUOTAHOLDER	**STICHTING SFM ITALY NO. 1**, a Dutch foundation (*stichting*) established under the laws of the Netherlands whose registered office is at De Boelelaan 7, 1083HJ Amsterdam (the "**Quotaholder**").
LISTING AGENT	**BNP PARIBAS SECURITIES SERVICES, LUXEMBOURG BRANCH**, a bank incorporated under the laws of the Republic of France as a *société en commandite par actions*, having its registered office at 3 Rue d'Antin, 75002 Paris, France, acting through its Luxembourg branch with offices at 33, Rue de Gasperich - L-5826 Hesperange Luxembourg, having as postal address L-2085 Luxembourg and registered with the Luxembourg trade and companies register under number B. 86 862 or any other person from time to time acting as listing agent (the "**Listing Agent**").
ARRANGER	**J.P. MORGAN SECURITIES PLC**
SENIOR NOTES UNDERWRITER	**ALBA LEASING**
JUNIOR NOTES UNDERWRITER	**ALBA LEASING**

THE PRINCIPAL FEATURES OF THE NOTES

The Notes	The Notes will be issued by the Issuer on the Issue Date in the following classes: - Euro 450,000,000 Class A Asset Backed Floating Rate Notes due December 2040 (the "**Class A Notes**" or the "**Senior Notes**"); and - Euro 281,331,000 Class B Asset Backed Floating Rate Notes due December 2040 (the "**Class B Notes**" or the "**Junior Notes**", and together with the Senior Notes, the "**Notes**").
Issue Date	The Notes will be issued on 22 December 2014.
Issue Price	The Notes will be issued at 100 per cent. of their principal amount.
Isin Code - Common Code	**Senior Notes -** ISIN IT0005072886 - Common Code 115764411 **Junior Notes -** ISIN IT0005072894
Interest on the Notes	The Senior Notes will bear interest on their Principal Amount Outstanding from and including the Issue Date at the EURIBOR *plus* a margin of 1,5% *per annum*. 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 *plus* a margin of 2% *per annum*. Interest in respect of the Notes will accrue on a daily basis and will be payable quarterly in arrears in Euro on each Payment Date in accordance with the applicable Priority of Payments. The first payment of interest in respect of the Notes will be due on the Payment Date falling in 22 March 2015 in respect of the period from (and including) the Issue Date to (but excluding) such date.
Form and Denomination	The denomination of the Senior Notes will be Euro 100,000. The denomination of the Junior Notes will be Euro 100,000 and integral multiples of Euro 1,000 in excess thereof. 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 Class A Notes will rank *pari passu* and rateably without any preference or priority among themselves for all purposes, but in priority to the Class B Notes and (b) the Class B Notes will rank *pari passu* and rateably without any preference or priority among themselves for all purposes, but subordinated to the Class A Notes. As long as the Senior Notes are outstanding, unless notice has been given to the Issuer declaring the Senior Notes immediately due and payable, the Junior Notes shall not be declared immediately due and payable and the holders of the Senior Notes shall be entitled to determine the remedies to be exercised in accordance with the Rules of the Organisation of the Noteholders. Remedies pursued by the holders of the Senior Notes could be adverse to the interests of 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 Class will be subject to mandatory redemption in full (or in part *pro rata*) on any Payment Date, in accordance with the provisions of Condition 8 (*Redemption, Purchase and Cancellation*), 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	Provided that no Trigger Notice has been served on the Issuer, on any Payment Date, the Issuer may redeem the Notes (in whole but not in part or, with the prior consent of the Junior Noteholders, the Senior Notes (in whole) and the Junior Notes (in whole or in part)), at their Principal Amount Outstanding, together with all accrued but unpaid interest thereon up to the redemption date and any amounts required under the applicable Priority of Payments to be paid in priority to or *pari passu* with the relevant Class of Notes, if the Principal Amount Outstanding of the Class A Notes is equal to or less than 10 per cent. of their Principal Amount Outstanding as at the Issue Date, in accordance with Condition 8.3 (*Optional Redemption*). Any such redemption shall be effected by the Issuer on giving not more than 45 and not less than 15 days' prior written notice to the Representative of the Noteholders, to the relevant Noteholders in accordance with Condition 16 (*Notices*), *provided that* the Issuer has certified to the Representative of the Noteholders that it will have the necessary funds (not subject to the interests of any person) to discharge all its outstanding liabilities in respect of the relevant Notes to be redeemed and any amounts required under the applicable Priority of Payments to be paid in priority to or *pari passu* with such Notes. The Issuer may obtain the necessary funds in order to effect the early redemption of the Notes in accordance with Condition 8.3 (*Optional Redemption*) through the sale of all or part of the Portfolio to the Originator, subject to the terms of the Transfer Agreement and the Intercreditor Agreement, and the relevant sale proceeds shall form part of the Issuer Available Funds.
Redemption for Taxation	If, at any time prior to the delivery of a Trigger Notice, the Issuer provides the Representative of the Noteholders, prior to the delivery of the notice

referred to below, with a legal opinion (in form and substance satisfactory to the Representative of the Noteholders) from counsel in the Issuer's jurisdiction opining 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 Class of Notes (the "**Affected Class**"), 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 Portfolio would be subject to withholding or deduction) (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 Class 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 Class to be redeemed,

then the Issuer may, on any such Payment Date at its option having given not more than 45 and not less than 15 days' prior written notice to the Representative of the Noteholders, to the relevant Noteholders in accordance with Condition 16 (*Notices*), redeem the Notes of the Affected Class (if the Affected Class is the Senior Notes, in whole but not in part or, if the Affected Class 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 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 Portfolio, or any part thereof, to finance the early redemption of the Notes in accordance with Condition 8.4 (*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 Portfolio at the terms and conditions specified in the Transfer Agreement

	and the Intercreditor Agreement. For further details, see the section headed "*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 Originator pursuant to the Transfer Agreement.
Segregation of the Portfolio	The Notes have the benefit of the provisions of Article 3 of the Securitisation Law, pursuant to which the Portfolio (including, for the avoidance of doubt, any other portfolio purchased by the Issuer pursuant to the Securitisation Law) and any monetary claim of the Issuer under the Transaction Documents, all cash-flows deriving from both of them and any Eligible Investments purchased therewith (together, the "**Segregated Assets**") are segregated by operation of law from the Issuer's other assets. Both before and after a winding up of the Issuer, amounts deriving from the Portfolio and the other Segregated Assets will be exclusively available for the purpose of satisfying the obligations of the Issuer to the Noteholders and to the Other Issuer Creditors or to any other creditors of the Issuer in respect of any costs, fees and expenses in relation to the Securitisation. See for further details the section headed "*Selected Aspects of Italian Law - Ring-fencing of the assets*". The Portfolio and the other Segregated Assets 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 thereof. Pursuant to the terms of the Intercreditor Agreement, the Issuer has empowered the Representative of the Noteholders, following the delivery of a Trigger Notice or, subject to the fulfillment of certain conditions, upon failure by the Issuer to exercise its rights under the Transaction Documents, to exercise all the Issuer's non-monetary rights, powers and discretion under certain Transaction Documents taking such action in the name and on behalf of the Issuer as the Representative of the Noteholders may deem necessary to protect the interests of the Issuer, the Noteholders and the Other Issuer Creditors in respect of the Portfolio, the other Segregated Assets and the Issuer's Rights. Italian law governs the delegation of such powers.
Limited Recourse Obligations	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 Portfolio and/or the other Segregated Assets 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 and no Noteholder shall be entitled to proceed directly against the Issuer to obtain payment of such obligations, save as provided by the Rules of the Organisation of the Noteholders. In particular no Noteholder:

(a) 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;

(b) shall be entitled, until the date falling two years

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

(c) 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 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 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 the Notes Underwriter, subject to and in accordance with the provisions of the Subscription Agreements. Each future 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 the Main Securities Market of the Irish Stock Exchange. No application has been made to list the Junior Notes on any stock exchange. The Issuer will elect Ireland as its Home Member State for the purpose of Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 (the "**Transparency Directive**").
No Rating	It is not expected that the Notes will, upon issue, be assigned a credit rating.
Governing Law	The Notes, and all non-contractual obligations arising out of or in connection with them, will be governed by Italian law.
Purchase of the Notes	The Issuer may not purchase any Notes at any time.
Selling restrictions	There are 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*".
ACCOUNTS	Pursuant to the Cash Allocation Management and Payments Agreement, the Issuer has established with the Account Bank the following bank accounts as separate accounts in the name of the Issuer: the Collection Account, the Payments Account, the Cash Reserve Account, Expenses Account and the Investment Account. The Issuer has also established with Deutsche Bank S.p.A. the Quota Capital Account.
CREDIT STRUCTURE	
Cash Reserve Amount	Upon the occurrence of a Cash Reserve Trigger Events, the Subordinated Loan Provider has undertaken to fund the Cash Reserve Amount and to deposit such amount on the Cash Reserve Account in accordance with the provisions of the Subordinated Loan Agreement. "**Cash Reserve Amount**" means, upon occurrence of a Cash Reserve Trigger Event, an amount equal to Euro 10,000,000. "**Cash Reserve Trigger Event**" means (i) one or more Trigger Events; and/or (ii) the event occurring when the Tier 1 capital (*coefficente di patrimonializzazione Tier 1*) of Alba Leasing falls below 7%.
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 (including any Residual Optional Instalment);

(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 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 Cash Reserve Amount (if any), transferred from the Cash Reserve Account to the Payments Account on or prior to such Payment Date,

but excluding 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 as at the immediately preceding Payment Report Date.

Trigger Events

Each of the following constitutes a Trigger Event pursuant to Condition 13 (*Trigger Events*):

(i) *Non-payment:*

(a) on any Payment Date (*provided that* a 3 (three) 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 (five) 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 (thirty) 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 (thirty) days will be given); or

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

(iv) *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; or

(v) *Cash Reserve Trigger Events*: a Cash Reserve Trigger Event occurs and the Subordinated Loan Provider defaults in the performance of

its obligation to fund the Cash Reserve Amount and/or its reporting obligation in accordance with the Subordinated Loan Agreement.

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

(1) in the case of a Trigger Event under (i), (v) or (vi) 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, with copy to the Subordinated Loan Provider. 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 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 Portfolio at the terms and conditions specified in the Transfer Agreement and 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 priority of payments (in each case only if and to the extent that payments of a higher priority have been made in full):

1) 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);

2) 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;

3) 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;

4) 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 Cash Manager, the Computation Agent, the Paying Agent, the Corporate Servicer, the Servicer and the Back-Up Servicer (if any);

5) to pay, *pari passu* and *pro rata*, all amounts of interest due and payable on the Senior Notes on such Payment Date;

6) to credit into the Cash Reserve Account the amount necessary to bring the balance of such account up to (but not in excess of) the Cash Reserve Amount (if any);

7) to repay, *pari passu* and *pro rata*, the outstanding principal of the Senior Notes on such Payment Date;

8) to pay, *pari passu* and *pro rata*, all amounts of interest due and payable on the Junior Notes on such Payment Date;

9) to repay the outstanding principal of the Junior Notes on such Payment Date;

10) to pay interest under the Subordinated Loan;

11) to repay principal under the Subordinated Loan;

12) to pay any surplus to the Originator as Deferred Purchase Price.

The Issuer shall, if necessary, make the payments set out under items (1) and (2) above also during the relevant Interest Period.

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 (1) to (6) 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.

Post-Enforcement Priority of Payments

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

1) 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);

2) 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;

3) 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;

4) 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 Cash Manager, the Computation Agent, the Paying Agent, the Corporate Servicer, the Servicer and the Back-Up Servicer (if any);

5) to pay, *pari passu* and *pro rata*, all amounts of interest due and payable on the Senior Notes on such Payment Date;

6) to pay, *pari passu* and *pro rata*, all amounts in respect of principal outstanding on the Senior Notes;

7) to pay, *pari passu* and *pro rata*, all amounts of interest due and payable on the Junior Notes on such Payment Date;

8) to pay, *pari passu* and *pro rata*, all amounts in

respect of principal outstanding on the Junior Notes;

9) to pay interest under the Subordinated Loan;

10) to repay principal under the Subordinated Loan;

11) to pay any surplus to the Originator as Deferred Purchase Price.

The Issuer shall, if necessary, make the payments set out under items (1) and (2) above also during the relevant Interest Period.

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 Portfolio.

Account Bank Investment Report

Under the Cash Allocation Management and Payment Agreement, the Account Bank has undertaken to prepare, on or prior to each Account Bank Report Date, the Account Bank Investment 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.

Retention requirements	Under the Intercreditor Agreement and 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 article 405(1)(d) of Regulation (EU) No. 575/2013 and option (1)(d) of article 51 of the Commission Delegated Regulation (EU) No. 231/2013 of 19 December 2012. For further details, see the section entitled "*Regulatory Capital Requirements*".
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 Condition 5.2 (*Covenants - Further Securitisations*) are fully satisfied. For further details, see the sections entitled "*Risk Factors - Further Securitisations*" and *"Conditions of the Notes*".

TRANSFER AND ADMINISTRATION OF THE PORTFOLIO

Transfer Agreement	On 5 December 2014, the Originator and the Issuer entered into the Transfer Agreement (as amended on or about the Issue Date), pursuant to which Alba Leasing assigned and transferred to the Issuer the Portfolio. The Portfolio 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 the Portfolio have been selected on the basis of the Criteria set forth in the Transfer Agreement. The Initial Purchase Price of the Portfolio, equal to Euro 731.305,804.17, will be paid 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 Portfolio*" and *"Description of the Transaction Documents - Transfer Agreement*".
Warranty and Indemnity Agreement	Pursuant to the Warranty and Indemnity Agreement, Alba Leasing, in its capacity as Originator, has given certain representations and warranties in favour of the Issuer in relation to, *inter alia*, itself, the Receivables, the Portfolio, 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 Portfolio.
Servicing Agreement	Pursuant to the terms of the Servicing Agreement, the Servicer has agreed to administer and service the

Receivables comprised in the 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.

OTHER TRANSACTION DOCUMENTS

Intercreditor Agreement

Pursuant to the Intercreditor Agreement, the Issuer, the Noteholders 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 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 Noteholders and 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.

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.
Subordinated Loan Agreement	Pursuant to the Subordinated Loan Agreement, the Subordinated Loan Provider has undertaken to promptly provide the Issuer, upon the occurrence of a Cash Reserve Trigger Event, with an interest bearing Subordinated Loan in an amount equal to the Cash Reserve Amount.
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.
Quotaholder Agreement	Pursuant to the Quotaholder Agreement, the Quotaholder has given certain undertakings in relation to the management of the Issuer and the exercise of its rights as Quotaholder of the Issuer. In addition, pursuant to the Quotaholder Agreement, the Originator has undertaken to provide the Issuer with all necessary monies in order for the Issuer to pay certain losses, costs, expenses or liabilities indicated therein.
Subscription Agreements	Pursuant to the Senior Notes Subscription Agreements, the Senior Notes Underwriter has agreed to subscribe the Senior Notes and paid to the Issuer the relevant Issue Price and has appointed the Representative of the Noteholders to act as the representative of the Noteholders, subject to the conditions set out therein. Pursuant to the Junior Notes Subscription Agreements, the Junior Notes Underwriter has agreed to subscribe the Junior Notes and paid to the Issuer the relevant Issue Price and has appointed the Representative of the Noteholders to act as the representative of the Noteholders, subject to the conditions set out therein.
Master Definitions Agreement	Pursuant to the Master Definitions Agreement all the parties to the Securitisation have agreed the meanings of certain definitions used in the Transaction Documents. *For further details on the Transaction Documents see section headed "Description of the Transaction Documents".*

RISK FACTORS

The following is a description of certain aspects of the issue of the Senior Notes of which prospective Noteholders should be aware. It is not intended to be exhaustive and prospective Noteholders should make their own independent valuation of all of the risk factors and should also read the detailed information set forth elsewhere in this Prospectus and in the Transaction Documents. Additional risks and uncertainties not presently known to the Issuer or that it currently believes to be immaterial could also have a material impact on its business operations.

CONSIDERATIONS RELATING TO THE ISSUER

Securitisation Law

As of the date of this Prospectus, only limited interpretation of the application of the Securitisation Law has been issued by Italian governmental or regulatory authority; therefore it is possible that further regulations, relating to the Securitisation Law or the interpretation thereof, are issued in the future, the impact of which cannot be predicted by the Issuer or any other party to the Transaction Documents, as of the date of this Prospectus. It should be noted that:

a) Law Decree No. 145 of 23 December 2013 ("*Interventi urgenti di avvio del piano "Destinazione Italia", per il contenimento delle tariffe elettriche e del gas, per la riduzione dei premi RC-auto, per l'internazionalizzazione, lo sviluppo e la digitalizzazione delle imprese, nonché misure per la realizzazione di opere pubbliche ed EXPO 2015*") converted with amendments into Law No. 9 of 21 February 2014 (the "**Law 9/2014**"); and

b) Law Decree No. 91 of 24 June 2014 ("*Disposizioni urgenti per il settore agricolo, la tutela ambientale e l'efficientamento energetico dell'edilizia scolastica e universitaria, il rilancio e lo sviluppo delle imprese, il contenimento dei costi gravanti sulle tariffe elettriche, nonché per la definizione immediata di adempimenti derivanti dalla normativa europea*") converted with amendments into Law No. 116 of 11 August 2014 (the "**Law 116/2014**"),

introduced certain amendments to the Securitisation Law for the purpose of improving the Securitisation Law by granting additional legal benefits to the entities involved in securitisation transactions in Italy and by better clarifying certain provisions of the Securitisation Law. For further details with respect to such amendments, please see the paragraphs headed "*Rights of set-off and other rights of Lessees*", *"Risk of Losses Associated with Lessees"* below and the section headed "*Selected aspects of Italian Law – The Securitisation Law*".

Issuer's ability to meet its obligations under the Notes

The Notes constitute direct, secured limited recourse obligations solely of the Issuer. In particular, the Notes will not be obligations or responsibilities of or guaranteed by any of the Arranger, the Representative of the Noteholders, the Originator or any other Transaction Parties. None of the aforementioned parties accepts any liability whatsoever in respect of any failure by the Issuer to make any payment of any amount due on the Notes.

The Issuer does not, as of the Issue Date, have any significant assets other than the Portfolio and the Issuer's rights in respect of those Transaction Documents to which it is a party. There is no assurance that, over the life of the Notes or at the redemption date of the Notes (whether on the Final Maturity Date, upon redemption by acceleration of maturity following the 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.

If there are not sufficient funds available to the Issuer to pay in full all principal and interest and any 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. After the Notes have become due and payable following the delivery of a Trigger Notice, the only remedy available to the Noteholders and the Other Issuer Creditors is the exercise by the Representative of Noteholders of the Issuer's rights under the Transaction Documents. In this respect, the net proceeds of the realisation of such

rights may be insufficient to pay all amounts due to the Noteholders after making payments to other creditors of the Issuer ranking prior thereto. In the event of a shortfall in such proceeds, the Issuer will not be obliged to pay, and the other assets of the Issuer will not be available for payment of, such shortfall, all claims in respect of which shall be extinguished.

The ability of the Issuer to meet its obligations in respect of the Notes will be dependent upon the Issuer's receipt of collections made on its behalf by the Servicer with respect to the Portfolio and any other amounts received by the Issuer pursuant to the provisions of the other Transaction Documents to which it is a party. In this regard it shall be considered that each of the Noteholders, the Representative of the Noteholders and the Other Issuer Creditors under the Intercreditor Agreement undertake not to (directly or by means of any other person acting on behalf of them) institute against the Issuer, or join in any institution against the Issuer of, any bankruptcy, winding up, re-organisation, arrangement, insolvency or liquidation proceedings or other proceedings under any applicable bankruptcy or similar law in connection with any obligations relating to the Notes or the other documents relating to the issue of the Notes for two years and one day after the latest date on which the Notes are due to mature.

No independent investigation in relation to the Portfolio

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 Portfolio (including the Lease Contracts and the origination procedures of the Receivables), 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.

None of the Issuer or the Arranger nor any other party to the Transaction Documents (other than the Originator) has carried out any due diligence in respect of the Lease Contracts in order to, without limitation, ascertain whether or not the Lease Contracts contain provisions limiting the transferability of the Receivables.

The Issuer will rely instead on the representations and warranties given by the Originator in the Warranty and Indemnity 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. The indemnification obligations undertaken by the Originator under the Warranty and Indemnity Agreements are unsecured claims of the Issuer and no assurance can be given that the Originator can or will pay the relevant amounts if and when due. For further details, see the section entitled "*Description of the Transaction Documents - 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 by certain actions that the Servicer has undertaken to perform pursuant to the Servicing Agreement.

Specifically, the Servicer has undertaken: (i) to ensure that the Collections will be paid directly into a dedicated bank account opened with the Servicer Account Bank, being the Servicer Account; to (ii) transfer or credit (or procure to be transferred or credited) into the Collection Account from the Issue Date, (a) all the Collections made during the period between the 1st and the 14th day of each month, no later than 17:00 (Milan time) on the 15th day of each month or, if such day is not a Local Business Day, the immediately following Local Business Day; and (b) all the Collections made during the period between the 15th and the last day of each month, no later than 17:00 (Milan time) on the 1th Local Business Day of each month, in immediately available funds; in the event that the Collections made during each of the above mentioned period exceed the maximum amount of Euro 4,000,000 (four million), to transfer or credit (or procure to be transferred or credited) such amounts into the Collection Account no later than 17:00 (Milan time) on the Local Business Day following the Local Business Day in which such threshold was exceeded.

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 into the Collection Account, in accordance with the provisions described above.

The Servicer Account has been opened by the Servicer with the Servicer Account Bank, and will be at all times maintained with an entity having the Minimum Rating.

In this respect it should be also noted that new Article 3, paragraph 2-*ter*, of the Securitisation Law, has limited the commingling risk in respect of collections collected, on behalf of the relevant company incorporated under the Securitisation Law, by the servicers and/or sub-servicers of the relevant securitisation transaction. See for further details the section headed "*Selected Aspects of Italian Law*".

Liquidity and credit risk

The Issuer is subject to the risk of delay arising between the scheduled payment dates and the date of receipt of payments due from the Lessee. The Issuer is also subject to the risk of, among other things, default in payments by the Lessee and the failure of the Servicer to collect and recover sufficient funds in respect of the Portfolio in order to enable the Issuer to discharge all amounts payable under the Notes. With respect to the Senior Notes, these risks are mitigated by the excess spread and the credit support provided through the subordination of the Junior Notes. In addition, upon occurrence of a Cash Reserve Trigger Event, the Originator has undertaken to fund the Cash Reserve Amount into the Cash Reserve Account pursuant to the provisions of the Subordinated Loan Agreement. However, there can be no assurance that the Originator will perform its undertaking obligations thereunder or have the financial resources to meet such obligations in the event that a Cash Reserve Trigger Event occurs.

In each case, there can be no assurance that the levels of collections and the recoveries received with respect to the Portfolio, together with the credit support and the liquidity support provided by the subordination of the Junior Notes and the Cash Reserve Amount (if any) (in the case of the Senior Notes) will be adequate to ensure punctual and full receipt of amounts due under the Notes.

The ability of the Issuer to make payments in respect of the Notes will depend to a significant extent upon the due performance by the Originator, the Servicer 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 Portfolio and to recover the amounts relating to Defaulted Receivables (if any). In addition, the ability of the Issuer to make payments under the Notes may depend to an extent upon the due performance by the Originator of its obligations under the Warranty and Indemnity Agreement in respect of the Portfolio. The performance 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 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 Portfolio on the same terms as those provided for in the Servicing Agreement. Such risk is mitigated by the provisions pursuant to which a back-up servicer

shall be appointed upon the occurrence of a Cash Reserve Trigger Event or upon reasonable request of the Senior Noteholders, in accordance with the provisions of the Servicing Agreement.

In some circumstances (including after service of a Trigger Notice), the Issuer could attempt to sell the Portfolio, but there is no assurance that the amount received on such a sale would be sufficient to repay in full all amounts due to the Noteholders.

Claims of unsecured creditors and segregated assets

By operation of Securitisation Law, the right, title and interest of the Issuer in and to the Portfolio and the other Segregated Assets will be segregated from all other assets of the Issuer (including, for the avoidance of doubt, from assets relating to other securitisations carried out by the Issuer pursuant to the Securitisation Law) and amounts deriving therefrom (for so long as such amounts are credited to one of the Issuer's accounts under the Transaction and not commingled with other sums) will be available on a winding up of the Issuer only to satisfy the Issuer's obligations to the Noteholders and to pay other costs of the Securitisation. Amounts derived from the Portfolio and the other Segregated Assets (for so long as such amounts are credited to one of the Issuer's accounts under the Transaction and not commingled with other sums) will not be available to any other creditors of the Issuer. However, under Italian law, any other creditor of the Issuer would be able to commence insolvency or winding up proceedings against the Issuer in respect of any unpaid debt.

In order to ensure such segregation: (i) the Issuer is obligated pursuant to the Bank of Italy regulations to open and to keep separate accounts in relation to each securitisation transaction; and (ii) the Servicer shall be able to identify at any time, pursuant to the Bank of Italy regulations, specific funds and transactions relating to each securitisation and shall keep appropriate information and accounting systems to this purpose; (iii) the parties to the Transaction have undertaken not to credit to the Accounts amounts other than those set out in Cash Allocation Management and Payments Agreement.

Moreover, the provisions of Article 3 of the Securitisation Law concerning the *patrimonio separato* are not likely to apply in circumstances where the cash-flow referred to above is commingled with the assets of a party other than the Issuer (such as, for example, the Servicer – see in this respect the section entitled "*Commingling Risk*" above). Thus, if any such party becomes insolvent, any such cash-flow held by it could not be included in the *patrimonio separato*.

It should be noted that the recent amendments made to the Securitisation Law, provide, among others, that the amounts credited into the accounts opened by companies incorporated as special purpose vehicles pursuant to Article 3 of the Securitisation Law with the servicers or with the depositary bank of securitisation transactions, on which the amounts paid by the assigned debtors as well as any other amount due to the relevant special purpose vehicle under the securitisation may be credited, may be utilized only to fulfill the obligations of the relevant special purpose vehicle against the noteholders and the other creditors under the securitisation and to pay the expenses to be borne in connection with the securitisation. Should any insolvency or administrative proceeding under the Consolidated Banking Act, or any other insolvency procedure apply to the relevant servicer or depositary bank, the amounts credited on such accounts and the sums deposited during the course of the relevant insolvency procedure (i) will not be subject to the suspension of payments; and (ii) will be immediately and fully returned to the special purpose vehicle in accordance with the provisions of the relevant agreement and without the need to for the filing of any petition in the relevant insolvency proceeding and outside any distribution plan.

In addition, in respect of the accounts opened by the servicers and the sub-servicers with banks, and into which the amounts paid by the assigned debtors may be credited, the creditors of the relevant servicer or sub-servicer may exercise claims only in respect of the amounts credited on such accounts that exceed the amounts due to the relevant special purpose vehicle. Should any insolvency procedure apply to the relevant servicer or sub-servicer, the amounts credited on such accounts and the sums deposited during the course of the relevant insolvency procedure will be

immediately and fully returned to the special purpose vehicle in accordance with the provisions of the relevant agreement and without the need to for the filing of any petition in the relevant insolvency proceeding and outside any distribution plan.

Prospective Noteholders should be aware that, as at the date of this Prospectus, these new provisions of the Securitisation Law have not been tested in any case law nor specified in any further regulation.

In addition, no guarantee can be given on the fact that the parties to the Securitisation will comply with the law and contractual provisions which have been inserted in the relevant Transaction Documents in order to ensure the segregation of assets. Furthermore, 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.

In any case, the corporate purpose of the Issuer as contained in its by-laws is limited and the Issuer has also agreed to certain covenants in the Intercreditor Agreement and the Conditions restricting the activities that may be carried out by the Issuer and has furthermore covenanted not to enter into any transaction that is not contemplated in the Transaction Documents. To the extent that the Issuer has creditors not being party to the Transaction Documents, the Issuer has established the Expenses Account, into which the Retention Amount shall be credited on the Issue Date and replenished on each Payment Date in accordance with the applicable Priority of Payments and out of which payments of the on-going fees, costs, expenses and taxes of the Issuer to third parties, excluding the Other Issuer Creditors, in respect of the Securitisation, shall be paid during any Settlement Period.

Further Securitisations

The Issuer may purchase and securitise further portfolios of monetary claims in addition to the Portfolio. Pursuant to Article 3 of the Securitisation Law, the assets relating to each individual securitisation transaction will, by operation of law, be segregated from all other assets of the company that purchases the receivables. On a winding up of such company, such assets will only be available to holders of notes issued to finance the acquisition of the relevant receivables and to certain creditors claiming payment of debts incurred by such company in connection with the securitisation of the relevant assets.

The implementation by the Issuer of any such further securitisation is subject to the conditions specified under Condition 5.2 (*Covenants - Further Securitisations*).

Eligible Investments

Funds on deposit in the Accounts may be invested in Eligible Investments at the discretion of the Cash Manager through the Investment Account. The investments must have appropriate ratings depending on the term of the investment and the term of the investment instrument, as provided by the Eligible Investment definition. However, it may be that, irrespective of any such rating, such investments will be irrecoverable due to the insolvency of the debtor under the investment. None of the Issuer, the Cash Manager, the Arranger and/or any other Transaction Party will be responsible for any loss or shortfall deriving therefrom.

CERTAIN CONSIDERATIONS RELATING TO THE NOTES

Suitability

Prospective investors should determine whether an investment in the Notes is appropriate in their particular circumstances and should consult with their legal, business and tax advisers to determine the consequences of an investment in the Notes and to arrive at their own evaluation of the investment.

Investment in the Notes is only suitable for investors who:

(a) have the requisite knowledge and experience in financial and business matters to evaluate such

merits and risks of an investment in the Notes;

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

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

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

Prospective investors in the Notes should make their own independent decision whether to invest in the Notes and whether an investment in the Notes is appropriate or proper for them, based upon their own judgement and upon advice from such advisers as they may deem necessary.

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

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

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, upon the delivery of a Trigger Notice or, if no Trigger Notice has been delivered, on the Final Maturity Date, the Issuer Available Funds are not sufficient to pay such obligations in full, the relevant Class of Noteholders shall be entitled to receive payments in respect of such obligations to the extent of the available funds (if any) and any shortfall (including, without limitation, in such case, any shortfall in respect of interest or principal on the Notes) will not be due and payable, will be deemed to be released by the relevant Noteholders and will be cancelled.

Yield and prepayment considerations

The yield to maturity, the amortisation plan and the weighted average life of the Notes will depend upon, *inter alia*, the amount and timing of repayment of principal (including prepayments and proceeds from the sale of the Assets upon termination of the Lease Contracts) on the Receivables and on the actual date of exercise (if any) of the optional redemption rights of the Issuer pursuant to Condition 8.3 (*Optional Redemption*) or Condition 8.4 (*Redemption for taxation*). Such yield, amortisation plan and weighted average life of the Notes may be adversely affected by a number of factors including, without limitation, a higher or lower rate of prepayment, delinquency and default on the Lease Contracts, the exercise by the Originator of its faculty to partially repurchase the Receivables and/or by the Servicer to renegotiate the terms and conditions of the Lease Contracts and/or to grant the suspension of payments of the relevant installments in accordance with the provisions of the Servicing Agreement. See further section headed "*Description of the Transaction Documents - The Servicing Agreement*".

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

The impact of the above on the yield at maturity and weighted average life of the Notes cannot be predicted. Based, *inter alia*, on assumed rates of prepayment, the approximate average lives of the

Senior Notes are set out in the section entitled "*Expected Average Life of the Senior Notes*". However, the actual characteristics and performance of the Lease Contracts will differ from such assumptions and any difference will affect the percentages of the initial amount outstanding of the Notes which are outstanding over time and the weighted average lives of the Notes. No assurance can be given that the assumptions and estimates will be accurate and, therefore, calculations as to the expected average life of the Senior Notes must be viewed with considerable caution.

Subordination

The rights of the Noteholders to receive payments of interest and repayment of principal are subordinated to the payment of certain costs, expenses, fees, taxes and other amounts and to the rights of the Representative of the Noteholders and other parties to receive certain amounts due under the Transaction Documents.

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

As long as the Senior Notes are outstanding, unless notice has been given to the Issuer declaring the Senior Notes immediately due and payable, the Junior Notes shall not be declared immediately due and payable and the holders of the Senior Notes shall be entitled to determine the remedies to be exercised in accordance with the Rules of the Organisation of the Noteholders. Remedies pursued by the holders of the Senior Notes could be adverse to the interests of the Junior Noteholders.

Limited Enforcement Rights

The protection and exercise of the Noteholders' rights against the Issuer and the security under the Notes is one of the duties of the Representative of the Noteholders.

The Rules of the Organisation of the Noteholders (attached as Exhibit 1 to the Conditions) limit the ability of individual Noteholders to commence proceedings against the Issuer by conferring on the Meeting of Noteholders the power to resolve on the ability of any Noteholder to commence any such individual action. Accordingly, individual Noteholders may not, without breaching the Conditions, be able to commence proceedings or take other individual remedies against the Issuer unless the Meeting has approved such action in accordance with the provisions of the Rules of the Organisation of the Noteholders.

Resolutions properly adopted in accordance with the Rules of Organisation of the Noteholders are binding on all Noteholders, therefore certain rights of each Noteholder against the Issuer under the Conditions may be amended or reduced or even cancelled pursuant to any such Resolution.

Noteholders' directions and resolutions following delivery of a Trigger Notice

At any time after a Trigger Notice has been delivered, the Representative of the Noteholders shall be entitled, pursuant to the Intercreditor Agreement and the Rules of the Organisation of the Noteholders, to direct the sale of the Portfolio (in whole or in part), *provided however that* a sufficient amount shall be realised to allow discharge in full of all amounts owing to the holders of the Most Senior Class of Notes and amounts ranking in priority thereto or *pari passu* therewith. Accordingly, the proceeds from the disposal of the Portfolio in such circumstances may not be sufficient to redeem (whether in whole or in part) the Classes of Notes other than the Most Senior Class of Notes.

In addition, the Representative of the Noteholders may and shall, if so requested or authorised by an Extraordinary Resolution of the holders of the Most Senior Class of Notes, following the delivery of a Trigger Notice take such steps and/or institute such proceedings against the Issuer as it may think fit to enforce repayment of the Notes and payment of accrued interest thereon. The

directions of the holders of the Most Senior Class of Notes in such circumstances may be adverse to the interests of the Junior Noteholders.

Conflicts of interests between holders of different Classes of Notes

The Conditions and the Intercreditor Agreement contain provisions requiring the Representative of the Noteholders to have regard to the interests of the holders of each Class of Notes as regards all powers, authorities, duties and discretion of the Representative of the Noteholders as if they formed a single class (except where expressly provided otherwise) but requiring the Representative of the Noteholders, in the event of a conflict between the interests of the holders of different Class of Notes, to have regard only to the interests of the holders of the Class of Notes ranking highest in the priority of payments then outstanding. Remedies pursued by the Representative of the Noteholders in such circumstances may be adverse to the interests of the Junior Noteholders or Other Issuer Creditors, as the case may be.

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 the Main Securities 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.

The Notes will, upon issue, be subscribed for by the Originator. It is intention of the Originator, as initial Noteholder, to initially use the Senior Notes, in full or in part, as collateral in repurchase transactions and/or liquidity transactions with qualified investors and to ultimately offer and sell the Senior Notes to other investors. In particular, after the Issue Date, the Senior Notes Subscriber may enter into repurchase transactions with J.P. Morgan Securities plc (or one of its affiliates) in respect of some or all of the Senior Notes; under such transactions, J.P. Morgan Securities plc (or one of its affiliates), in its capacity as repo counterparty, may exercise voting rights in respect of the Senior Notes held by it also in a manner that may be prejudicial to other Noteholders.

Under the Subscription Agreements and the Intercreditor Agreement, the Originator undertakes that it will retain at the origination and maintain on an ongoing basis a material net economic interest of at least 5% in the Securitisation in accordance with option (1)(d) of Article 405 of Regulation (EU) No. 575/2013 and option (1)(d) of Article 51 of the Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012. As at the Issue Date, such interest will be comprised of an interest in the first loss tranche (being the Junior Notes).

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

as there is not at present an active and liquid secondary market for asset-backed securities. These additional risks may affect the returns on the Notes to investors.

CONSIDERATIONS RELATING TO THE PORTFOLIO

Right to future Receivables

The Transfer Agreement provides the transfer by the Originator 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; and (c) the claims relating to any Policies Indemnities and Losses Indemnities; (d) by way of satisfaction in the event of termination of a Lease Contract of: (i) the claims 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 deriving from the relevant new financial lease contract (collectively, the "**Additional Claims**").

In the event that the Originator is or become insolvent, the court may treat the Issuer's claims to the Additional Claims sold by the Originator as "future receivables". The Issuer's claims to any future receivables (a) that have not yet arisen at the time of the 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 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 (*procedure concorsuali*) under the 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 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 Notes. For further details see the following paragraph entitled "*Effects on Lease Contracts of Insolvency of the Lessee or the Originator"* below and the section entitled "*Selected Aspects of Italian Law".*

Risk of losses associated with Lessees

General economic conditions and other factors have an impact on the ability of Lessees to repay the Lease Contracts. Loss of earnings, illness, divorce, decrease in turnover, increase in operating or in financial costs and other similar factors may lead to an increase in delinquencies and bankruptcy filings by Lessees, which may lead to a reduction in Lease Contracts payments by such Lessees and could reduce the Issuer's ability to service payments on the Notes.

In the event of insolvency of a Lessee (to the extent the same is subject to the Bankruptcy Law), the relevant payments or prepayments under a Lease Contract may be declared ineffective pursuant to Articles 65 or 67 of the Bankruptcy Law.

In this respect, it should be noted that the Securitisation Law, as recently amended, provides that (i) the claw-back provisions set forth in Article 67 of the Bankruptcy Law do not apply to payments made by Lessees to the Issuer in respect of the securitised Receivables and (ii) prepayments made by Lessees under securitised Receivables are not subject to the declaration of ineffectiveness pursuant to Article 65 of the Bankruptcy Law. For further details, please see the section headed "*Selected aspects of Italian Law – The Securitisation Law*".

Benefit of the leased Assets

Under the financial lease contracts the lessor is the owner of the leased assets and the ownership over the leased assets is not transferred to the Issuer together with the Receivables. In spite of this, the Issuer can nevertheless obtain the benefit of the proceeds generated by the sale or the re-lease of the leased assets in the event that the original financial lease contract is terminated. This is provided through the assignment by the Originator to the Issuer under the Transfer Agreement of the sale proceeds or future rentals 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.

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

Article 72-*quater* of the Bankruptcy Law ("**Article 72-*quarter***") specifically regulates 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 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 (sixty) 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 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.

The Lease Contracts

The Receivables arise under financial lease contracts entered into between Banca Italease S.p.A. (or by companies belonging to the Banca Italease Group) or Mediocreval S.p.A. (subsequently merged by incorporation in Credito Valtellinese S.C.p.A. by a deed of incorporation dated 15 July 2014) and subsequently transferred to Alba Leasing pursuant to deeds of contribution of going concern (*atti di conferimento di ramo d'azienda*) entered into, pursuant to Article 58 of the Consolidated Banking Act, with Banca Italease S.p.A. on 24 December 2009 and Credito Valtellinese S.C.p.A. on 30 July 2014 and 30 September 2014. As a consequence, there may be a lack of information on the part of the Originator with respect to the origination of the Lease Contracts and the specific terms and conditions thereof.

However, in the Warranty and Indemnity Agreement the Originator, in addition to the general representations and warranties as to the ownership, existence, validity and enforceability of the Receivables, has represented and warranted, *inter alia*, that 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*" and that the standard terms of the Lease Contracts include (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. For further details see Section headed "*Description of the Transaction Documents - The Warranty and Indemnity Agreement"*. There can, however, be no guarantee that the Lease Contracts do not contain any terms or conditions that adversely affect in any manner the value of the Receivables or the enforceability of the Lease Contracts.

Lease Contracts' Performance

The Portfolio is comprised of receivables deriving from financial lease contracts under which no instalments are due and unpaid from more than 30 (thirty) days (for further details, see the section entitled "*The Portfolio"*). There can be no guarantee that the Lessees will not default under the relevant Lease Contracts or that they will continue to perform their obligations.

The recovery of amounts due in relation to Defaulted Receivables, if any, will be subject to the effectiveness of enforcement proceedings in respect of the Portfolio which in Italy can take a considerable time depending on the type of action required, where such action is taken and 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

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 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 in certain

limited circumstances specified in the Servicing Agreement. For further details, please see the section headed "*Description of the Transaction Documents – The Servicing Agreement*".

Restructuring arrangements in accordance with law No. 3 of 27 January 2012

According to the provision of law No. 3 of 27 January 2012 (the "**Law 3/2012**"), a debtor in a state of over indebtedness (*stato di sovraindebitamento*) is entitled to submit to his creditors, with the assistance of a competent body (*Occ-Organismi per la Composizione della Crisi*), a debt restructuring arrangement (the "**Restructuring Agreement**") which shall in any case ensure the full payment of the creditors whose claims towards the relevant debtor are not subject to be attached (*pignorati*) in accordance with Article 545 of the Italian code of civil procedure. The Law 3/2012, as amended, applies, *inter alia*, to (i) debtors who are not eligible to be adjudicated bankrupt under the Bankruptcy Law; or (ii) to debtors which have not benefited of any procedure set out by Law 3/2012 in the past five years. In any case the debtors must comply with Article 7 of Law 3/2012 in order to benefit from the procedure provided by Law 3/2012. In addition a specific procedure is provided in relation to debtors who qualify as consumers (*consumatori*).

The Restructuring Agreement shall provide the revised terms of payment of all of the debtor's obligations, including – at certain conditions – the secured creditors (*creditori privilegiati*). The Restructuring Agreement becomes effective, upon approval (*omologazione*) by the competent Court (which shall be given in any case within 6 months from the date on which the proposal of Restructuring Agreement is submitted by the relevant debtor). In any case a favorable vote of creditors representing at least 60% of the debtor's claims is required for the approval of the Restructuring Agreement. Under the approved Restructuring Agreement, which shall be binding for all of the creditors of the relevant debtor, the latter may obtain: (a) up to a one-year period moratorium for secured creditors (*creditori privilegiati*); (b) the suspension of all foreclosure procedures and seizures (*sequestri conservativi*) against it; (c) that creditors will be prevented from creating pre-emption rights (*diritti di prelazione*) on the debtor's assets; and (d) that legal interests will stop to accrue. As a consequence of the entering into force of the Restructuring Agreement, the debtor's assets will be considered as attached, and could not be further attached by upcoming creditors. The Restructuring Agreement ceases to be effective if the relevant debtor does not pay the obligations set out therein within 90 (ninety) days from the established deadlines, or if they attempt to fraud its creditors. The Restructuring Agreement does not prejudice claims owed to the relevant debtor's guarantors and co-obligors.

As an alternative to the procedure described hereabove, the debtors (i) in a state of over indebtedness (*stato di sovraindebitamento*) and (ii) which have not benefited of any procedure set out by Law 3/2012 in the past five years, may request the voluntary winding up of all its assets. In particular, under such procedure the competent judge, upon request of the relevant debtor, is entitled to issue a decree by means of which they will appoint a liquidator, and order the relevant debtor to transfer its assets to such liquidator. The appointed liquidator will then pay creditors proportionally to their claims (save for claims with pre- emption causes (*diritti di prelazione*)). Upon such decree being issued by the competent Court, all the foreclosure procedures and seizures (*sequestri conservativi*) on the debtor's assets will be suspended. Such procedure cannot have duration lower than four years. Consequently, should the debtor acquire further assets within four years from the date on which the filing has been made by the relevant debtor, such new assets will form part of the liquidator's assets and will be applied by the latter to pay the creditors of the relevant debtor.

Should any Lessee enter into a proceeding set out by Law 3/2012, the Issuer could be subject to the risk of having the payments due by the relevant Lessee suspended for up to one year (in case of the entering into of Restructuring Agreement) or part of its debts released. However, given the novelty of this new legislation, the impact thereof on the cash flows deriving from the Portfolio and, as a consequence, on the amortisation of the Notes may not be predicted as at the date of this Prospectus.

Perfection of the sale of the Portfolio

The sale of the Portfolio by the Originator to the Issuer has been made in accordance with Article 4 of the Securitisation Law according to which the publication in the Official Gazette of a notice of the sale of the Portfolio (such notice was published on the Official Gazette No. 147, Part II, on 13 December 2014) and the registration of such sales with the Register of Enterprises of Milan (such registration was made on 10 December 2014) has rendered the assignment of the Portfolio and the proceeds deriving therefrom immune from any attachment or other action under Italian law (other than a claw-back action), except to the extent that any such attachment or action is intended to protect the rights of the Noteholders and the Other Issuer Creditors. In addition, the publication of such notice means that the sale of the Portfolio cannot be challenged or disregarded by: (i) any third party to whom the Originator may previously have assigned the Portfolio or any part thereof but who has not perfected the assignment prior to the date of publication; (ii) a creditor of the Originator who has a right to enforce its claim on the relevant Originator's assets; or (iii) a receiver or administrative receiver or a liquidator of any assigned Lessee in the case of the Lessee's bankruptcy.

Claw-back risk

An assignment of receivables executed pursuant to the Securitisation Law may be clawed-back, and thus declared ineffective by a receiver of the transferor, under Article 67 of the Bankruptcy Law in the event that the transferor was insolvent at the time of the transfer and such transfer is entered into: (i) within three months of the adjudication of bankruptcy of transferor, if the sale is not undervalue and the receiver can prove that the transferee was, or ought to have been, aware of the transferor's insolvency; or (ii) within six months of the adjudication of bankruptcy of transferor, if the sale is undervalue and the transferee cannot prove that it was not, or ought not to have been, aware of the transferor's insolvency.

Accordingly, if the Originator was insolvent at the date of the execution of the Transfer Agreement, and the Issuer was, or ought to have been, aware of such insolvency, the relevant transfer may, in certain circumstances, be subject to claw-back by a liquidator of the Originator. However, under the Warranty and Indemnity Agreement, the Originator has represented that it was solvent as of the date of the transfer, and such representations shall deemed to be repeated as of the Issue Date, and solvency certificates have been obtained with respect to the Originator as of the date of the transfer.

Any subsequent transfer of the Receivables (and the payment of the relevant purchase price thereof) made by the Issuer in favour of the Originator (pursuant to the provisions of the Transfer Agreement and the Servicing Agreement or otherwise) or a third party pursuant to the provisions of the Transaction Documents may be clawed-back and declared ineffective by a receiver of the Originator or the relevant purchaser under Article 67 of the Bankruptcy Law, subject to the above conditions but within the longer terms of six months and one year generally provided for under Article 67 of the Bankruptcy Law.

In addition, the assignments executed under the deeds of contribution of going concern (*atti di conferimento di ramo d'azienda*) entered into, pursuant to Article 58 of the Consolidated Banking Act, between Alba Leasing and Credito Valtellinese S.C.p.A. on 30 July 2014 and 30 September 2014, are still subject to the ordinary claw back regime under Italian Law (other than the shorter claw back period that applies to the transfer of the Receivables to the Issuer as described above).

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 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 Portfolio and the date on which payment of interest under the Notes fall due.

Prospective Noteholders should also note that the composition of the 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. There can, however, be no assurance that the level of Collections and the Recoveries received from the Portfolio will be adequate to ensure timely and full receipt of amounts due under the Notes.

Historical Information

Alba Leasing accepts responsibility for the fairness and accuracy of the information set out in the Sections headed "*The Originator and the Servicer*", *"Collection Policies"* and "*The Portfolio*", which represent the historical experience of the Originator. Such experience may be different from the experience of the Originator's assignors and 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.

Rights of set-off and other rights of the Lessees

Under general principles of Italian law, a Lessee of a Lease Contract is entitled to exercise rights of set-off in respect of amounts due under such Lease Contract against any amounts payable by the Originator to such Lessee if and to the extent that such amounts due have arisen before the publication of the notice of the assignment of the Receivables in the Official Gazette pursuant to Article 58, second paragraph, of the Consolidated Banking Act and the registration of such sale with the companies' register where the Issuer is enrolled have been made.

Consequently, after (i) publication in the Official Gazette of the notice of transfer of the Portfolio to the Issuer pursuant to the Transfer Agreement and (ii) registration of the assignment in the register of companies where the Issuer is enrolled, the Lessee shall not be entitled to exercise any set-off right against their claims against the Originator which arises after the date of such publication and registration.

In addition, the Italian consumer legislation set forth in the Consolidated Banking Act (i) provides for a more borrower friendly set-off ruling and (ii) attributes to the borrower the right to terminate the loan and receive back any amount paid to the lender (and to any assignee) in case of breach by the supplier of the goods purchased by the borrower out of the loan.

In any case Law 9/2014 expressly provides that assigned debtors in securitisation transactions shall not be entitled to exercise any set-off between the amounts due by them under the assigned receivables and their claims arisen after the date of publication in the Official Gazette of the notice of transfer of the relevant portfolio or the date certain at law (*data certa*) on which the relevant purchase price has been paid. For further details, please see the section headed "*Selected aspects of Italian Law – The Securitisation Law*". In any case, the Originator has agreed under the Warranty and Indemnity Agreements to indemnify the Issuer should the Issuer experience any reduction in amounts collected or recovered in respect of the Receivables as a result of the legitimate exercise by any Lessee of its right of set-off. There can be no assurance that the Originator will have the

financial resources to meet its obligations to indemnify the Issuer in the event that any such reduction arises.

Italian Usury Law

Italian Law No. 108 of 7 March 1996 (*Disposizioni in materia di usura*), as amended and supplemented from time to time (the "**Usury Law**") introduced legislation preventing lenders from applying interest rates equal to or higher than the thresholds set on a quarterly basis by a decree issued by the Italian Treasury (the "**Usury Thresholds**") (the latest of such decrees having been issued on 15 December 2014 and being applicable for the quarterly period from 1 January 2015 to 31 March 2015). Any provision in loan agreements imposing interest exceeding the Usury Thresholds is null and void and no interest will be due in respect of the loan pursuant to Article 1815(2) of the Italian Civil Code.

In addition, even though the applicable Usury Thresholds are not exceeded, interests and other advantages and/or remunerations might be held usurious if: (i) they are disproportionate to the sum lent (taking into account, in evaluating such condition, the specific terms and conditions of the transaction and the average rate usually applied to similar transactions); and (ii) the person who paid or accepted to pay the relevant amounts was, at the time it made such payment or undertook the obligation, in financial and economic difficulties.

On 29 December 2000, the Italian Government issued law decree No. 394 (*Interpretazione autentica della legge 7 marzo 1996, n. 108*) (the "**Decree 394/2000**"), turned into Law No. 24 of 28 February 2001 (*Conversione in legge, con modificazioni, del decreto-legge 29 dicembre 2000, n. 394, concernente interpretazione autentica della legge 7 marzo* 1996, *n. 108, recante disposizioni in materia di usura*), which clarified the uncertainty over the interpretation of the Usury Law and provided, *inter alia,* that interest will be deemed to be usurious only if the interest rate agreed by the parties exceeded the Usury Thresholds applicable at the time the relevant loan agreement or such other credit facility was entered into or the interest rate was agreed. Decree 394/2000 also *provided that* as an extraordinary measure due to the exceptional fall in interest rates in 1998 and 1999, interest rates due on instalments payable after 2 January 2001 on fixed rate loans (other than subsidised loans) already entered into on the date such decree came into force (such date being 31 December 2000) are to be substituted, except where the parties have agreed to more favourable terms, with a lower interest rate set in accordance with parameters fixed by such decree by reference to the average gross yield of multiannual treasury bonds (*Buoni Tesoro Poliennali*) in the period from January 1986 to October 2000.

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

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

According to Article 1283 of the Italian Civil Code, in respect of a monetary claim, interests accrued for at least six months can be capitalised and *provided that* the capitalisation has been agreed after the date when they have become due or from the date when the relevant legal proceedings are commenced in respect of that monetary claim. Article 1283 of the Italian Civil Code allows derogation from this provision in the event that there are recognised customary practices (*usi*) to the contrary. Banks and other financial institutions in Italy have traditionally capitalised accrued interests on a quarterly basis on the grounds that such practice could be characterised as a customary practice. Certain judgments from Italian courts (including Judgments No. 2374/99 and No. 2593/03 of the Italian Supreme Court (*Corte di Cassazione*) have held that such practices do not meet the legal definition of customary practices. In this respect, it should be noted that Article 25, paragraph 2, of the Decree No. 342 of 4 August 1999 (the "**Decree 342**") delegated to the Interministerial Committee of Credit and Saving (the "**CICR**") powers to fix the conditions for the capitalisation of accrued interests and, pursuant to Article 3 of a Resolution dated 9 February 2000 (the "**Resolution**"), the CICR established that, in relation to loans involving a deferred repayment that, in case of breach by the debtor, the amount due on the maturity of each instalment, shall produce interests from such date up to the date of the actual payment, if so provided by the relevant contract. Moreover, Article 25, paragraph 3, of the Decree 342 provides that the provisions relating to the capitalisation of accrued interest set forth in contracts entered into before the date of the Resolution are valid and effective up to the date thereof and after such date shall be consistent to the provisions of the Resolution. However, Decree 342 has been challenged before the Italian Constitutional Court on the grounds that it falls outside the scope of the powers delegated under the *Legge Delega*, and Article 25 paragraph 3 of the Decree 342 has been declared unconstitutional by decision No. 425 of 9/17 October 2000 issued by the Italian Constitutional Court. On the basis of the foregoing, it cannot be excluded that borrowers may, where appropriate, challenge the practice of capitalising interest by banks on the grounds set forth by the Italian Supreme Court in the above mentioned decision and, therefore, that it could have a negative effect on the returns generated from the residential and commercial mortgage loans.

Recently, Article 1, paragraph 629 of law No. 147 of 27 December 2013 (so called, *Legge di Stabilità 2014*) amended Article 120, paragraph 2, of the Consolidated Banking Act, providing that interests shall not accrue on capitalised interests. However, given the novelty of this new legislation and the absence of any jurisprudential interpretation, the impact of such new legislation may not be predicted as at the date of this Prospectus.

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.

TAX CONSIDERATIONS

Withholding Tax under the Notes

Payments under the Notes may in certain circumstances, described in the section headed *"Taxation"* of this Prospectus, be subject to a Decree 239 Deduction. In such circumstance, beneficial owner of an interest payment relating to the Notes of any Class will receive amounts of interest payable on the Notes net of a Decree 239 Deduction. At the date of this Prospectus, such Decree 239 Deduction, if applicable is levied at the rate of 26 per cent., or such lower rate as may be applicable under the relevant double taxation treaty if applicable.

In the event that any Decree 239 Deduction or any other deduction or withholding for or on account of tax is imposed in respect of payments to Noteholders of amounts due pursuant to the Notes, the Issuer shall not be obliged to gross-up or otherwise compensate Noteholders for the

lesser amounts that the same Noteholders shall receive as a result of the imposition of any such deduction or withholding, or otherwise to pay any additional amounts to any of the Noteholders.

Tax Treatment of the Issuer

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

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

***

A transfer of claims falls within the scope of VAT if it can be characterised as a supply of services rendered by the purchaser. In this respect, a transfer of claims entails a supply of services in the event and to the extent that (i) it has a "financial purpose" pursuant to Article 3, paragraph 2, item 3) of Presidential Decree of 26 October 1972, No. 633 and (ii) it is effected for consideration pursuant to Article 3, paragraph 1 of the above mentioned Presidential Decree. In such a case, the transfer of the claims is subject to VAT at the zero per cent. rate (VAT exempt transaction) provided that it could not be qualified as credit recovery (*attività di recupero crediti*) subject to VAT rate of 22 per cent. As far as the "financial purpose" is concerned, it must be pointed out that the transfer of the claims related to the securitisation in question takes place in the context of a "financial transaction" because (a) the Originator transfers the claims to the Issuer in order to enable the latter to raise funds (through the issuance of Notes collateralised by the claims) to be advanced to the Originator as transfer price of the claims; (b) the Issuer will effectively be entitled to retain for itself all collection and recoveries proceeds of the claims to the extent necessary to repay the principal amount of the Notes and to pay interest thereon and all costs borne by the Issuer in the context of the Securitisation. In this respect, the transfer of claims in the context of a securitization transaction should not be deemed as credit recovery (*attività di recupero crediti*) subject to a VAT rate of 22 per cent., based on the clarifications given by the Italian Tax Authority in Resolution No. 32/E of 11 March 2011. As far as the transfer of claims for a consideration is concerned, it must be pointed out that this matter has been analysed by the EU Court of Justice and by *Agenzia delle Entrate* in cases dealing with the VAT analysis of the transfer of claims within the context of a factoring transaction and without specifically considering a securitisation transaction (among others EU Court of Justice judgment of June 26, 2003 on case C-305/01 and Resolution No. 32/E of 11 March 2011 issued by *Agenzia delle Entrate*). However it also to be mentioned that since both factoring and securitisation transactions share similar "financial purposes", the general consensus in the tax doctrine is that the transfer of claims must be treated

similarly within the context of both transactions. According to the above mentioned judgments and resolutions, the remuneration of the "financial transaction" executed through the assignment of claims would be represented by any existing positive difference between the face value of the claims and the purchase price paid by the purchaser for the purchase of the same claims (i.e. the so-called "**Discount**") as well as by any commission paid by the transferor with the purpose to remunerate the transferee for the payment in advance made before the expiration of the claim, which in substance constitutes a financing. In such a case, the transfer of the claims is subject to VAT at the zero per cent. rate (VAT exempt transaction). In the absence of a remuneration for the financing granted through the transfer of claims, such transfer cannot result in the supply of a "financial transaction" for VAT purposes. In a judgment (Judgment of October 27, 2011 on case C-93/10), the EU Court of Justice took an even more restrictive view on this matter, by stating, with specific reference to non-performing claims, as follows "*an operator who, at his own risk, purchases defaulted debts at a price below their face value does not effect a supply of services for consideration and does not carry out an economic activity falling within the scope of that directive when the difference between the face value of those debts and their purchase price reflects the actual economic value of the debts at the time of their assignment*". On the basis of a cross interpretation of principles embodied in Resolution No. 32/E of 2011 and EU Court of Justice C-93/10, it can be summarised that, with specific reference to non-performing claims, whenever the amount paid by a purchaser in exchange for the acquisition of the claims reflects the actual economic value of the claims, no "financial service" for VAT purposes would be rendered by the purchaser. According to the above in a context of a securitisation transaction, as the one at stake, if (i) a portfolio of performing claims is not transferred either for a consideration due by the transferor to the transferee or for a discount below the face value of the claims or (ii) a portfolio of non-performing claims is transferred for a price not below the actual economic value of the claims at the time of their assignment, the relevant transfer could be treated not as a "financial transaction" rendered by the Issuer and therefore the transaction could not qualify for VAT purposes as "*operazione esente*" (VAT exempt subject to VAT at the zero per cent. rate) and could qualify instead as "*operazione fuori campo*" (out of the scope of VAT and not subject to VAT). In this respect, if a transaction does not fall within the scope of VAT, VAT is not due and proportional registration tax will be applicable. Should for any reason the Transfer Agreement be subject, either voluntarily or in case of use or enunciation, to registration, 0.5% registration tax will be payable on the nominal value of the transferred claims.

EU Directive on the taxation of savings income

Under Council Directive 2003/48/EC on the taxation of savings income ("**EU Savings Directive**"), Member States are required to provide to the tax authorities of other Member States details of certain payments of interest or similar income paid or secured by a person established in a Member State to or for the benefit of an individual resident in another Member State or to certain limited types of entities established in that other Member State.

On 24 March 2014, the Council of the European Union adopted a Council Directive amending and broadening the scope of the requirements described above. Member States are required to apply these new requirements from 1 January 2017. The changes will expand the range of payments covered by the Directive, in particular to include additional types of income payable on securities. The Directive will also expand the circumstances in which payments that indirectly benefit an individual resident in a Member State must be reported. This approach will apply to payments made to, or secured for, persons, entities or legal arrangements (including trusts) where certain conditions are satisfied, and may in some cases apply where the person, entity or arrangement is established or effectively managed outside of the European Union.

For a transitional period, Luxembourg and Austria are required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments. The changes referred to above will broaden the types of payments subject to withholding in those Member States which still operate a withholding system when they are implemented. In April 2013, the Luxembourg Government announced its intention to abolish the withholding system with effect from 1 January 2015, in favour of automatic information exchange under the Directive.

The end of the transitional period is dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries. A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

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

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

OTHER CONSIDERATIONS

Certain material interests

Certain parties to the transaction, such as the Originator, may perform multiple roles. Alba Leasing is, in addition to being the Originator, also the Servicer, the Cash Manager and the initial subscriber of the Notes. Zenith Service S.p.A. is the Corporate Servicer, the Computation Agent and the Representative of the Noteholders. These parties will have only those duties and responsibilities expressly agreed to by them in the relevant agreement and will not, by virtue of their or any of their affiliates acting in any other capacity, be deemed to have any other duties or responsibilities or be deemed to be held to a standard of care other than as expressly provided with respect to each agreement to which they are a party.

Accordingly, conflicts of interest may exist or may arise as a result of parties to this transaction: (a) having previously engaged or in the future engaging in transactions with other parties to the transaction; (b) having multiple roles in this transaction; and/or (c) carrying out other transactions for third parties.

The Originator in particular may hold and/or service claims against the Lessee other than the Receivables. The interests or obligations of the aforementioned parties, in their respective capacities with respect to such other roles may in certain aspects conflict with the interests of the Noteholders. The aforementioned parties may engage in commercial relationships, in particular, be lender, and provide general investment and other financial services to the Lessee and other parties. In such relationships the aforementioned parties are not obliged to take into account the interests of the Noteholders. In addition, Alba Leasing in its capacity as, present or future, holder of any Notes, may exercise its voting rights in respect of the Notes held by it also in a manner that may be prejudicial to other Noteholders. Prospective investors should note that, for the purposes of the right to vote at any Meeting of Noteholders convened to transact certain Business in relation to which may exist a conflict of interest between, in particular, the holders of the Senior Notes (in such capacity) and the Originator in any other role under the Securitisation, those Senior Notes which are for the time being held by the Originator shall (unless and until ceasing to be so held) be deemed not to remain "outstanding", subject to and in accordance with the rules and the procedures set out for the Meeting of each Class of Notes under the "*Rules of the Organisation of the Noteholders*" attached to the Conditions.

J.P. Morgan Securities plc (or one of its affiliates) may act as a securities lending counterparty under some or all securities lending transactions to be entered into with the Senior Notes Underwriter in respect of some or all the Class A Notes after the Issue Date. Under such transactions, J.P. Morgan Securities plc, in its capacity as securities lending counterparty, may exercise voting rights in respect

of the Class A Notes held by it also in a manner that may be prejudicial to other Noteholders. Actual or potential conflicts may arise between the interests of such entities and the interests of the Issuer and the Noteholders.

Finally, the concentration of roles in one entity may, in the event of insolvency of such entity, 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.

Regulatory capital framework

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

The Basel Committee has approved significant changes to the Basel II framework (such changes being commonly referred to as "**Basel III**"), including new capital and liquidity requirements intended to reinforce capital standards (with heightened requirements for global systemically important banks) and to establish a leverage ratio "backstop" for financial institutions and certain minimum liquidity standards. In particular, the changes refer to, amongst other things, new requirements for the capital base, measures to strengthen the capital requirements for counterparty credit exposures arising from certain transactions and the introduction of a leverage ratio as well as short-term and longer-term standards for funding liquidity (referred to as the "**Liquidity Coverage Ratio**" and the "**Net Stable Funding Ratio**"). Basel III set an implementation deadline on member countries to implement the new capital standards from January 2014, the new Liquidity Coverage Ratio from January 2015 and the Net Stable Funding Ratio from January 2018. The European authorities have indicated that they support the work of the Basel Committee on the approved changes in general and, in particular, the European Commission has implemented the changes through the CRD IV (as defined below). The changes may have an impact on incentives to hold the Notes for investors that are subject to requirements that follow the revised framework and, as a result, they may affect the liquidity and/or value of the Notes.

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

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

In general, investors should consult their own advisers as to the regulatory capital requirements in respect of the Notes and as to the consequences to and effect on them of any changes to the Basel II framework (including the Basel III changes described above) and the relevant implementing measures. No predictions can be made as to the precise effects of such matters on any investor or otherwise. There can be no guarantee that the regulatory capital treatment of the Notes for investors will not be affected by any future changes to the Basel II Framework. The Issuer is not responsible for informing Noteholders of the effects of the changes which will result for investors from revisions to the Basel II Framework. Significant uncertainty remains around the implementation of these initiatives. In general, prospective investors should consult their own advisers as to the regulatory capital requirements in respect of the Notes and as to the

consequences to and effect on them of any changes to the Basel II Framework (including the Basel III changes described above) and the relevant implementing measures. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

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

In Europe, the U.S. and elsewhere there is an increased political and regulatory scrutiny of the asset-backed securities industry. This has resulted in a raft of measures for increased regulation which are currently at various stages of implementation and which may have an adverse impact on the regulatory capital charge to certain investors in securitisation exposures and/or the incentives for certain investors to hold asset-backed securities, and may thereby affect the liquidity of such securities. Investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer, the Originator and the Arranger 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.

Prospective investors should be aware that certain EU regulations provide for certain retention and due diligence requirements which shall be applied, or are expected to be applied in the future, with respect to regulated investors (including, *inter alia*, authorised alternative investment fund managers, insurance and reinsurance companies and UCITS funds, credit institutions, investment firms or other financial institutions) which intend to invest in a securitisation transaction. Among other things, such requirements restrict a relevant investor from investing in asset-backed securities unless (i) that relevant investor is able to demonstrate that it has undertaken certain due diligence in respect of various matters including its note position, the underlying assets and (in the case of certain types of investors) the relevant sponsor or originator and (ii) the originator, sponsor or original lender in respect of the relevant securitisation has explicitly disclosed to the investor that it will retain, on an on-going basis, a net economic interest of not less than 5 (five) per cent in respect of certain specified credit risk tranches or asset exposures. Failure to comply with one or more of the requirements may result in various penalties including, in the case of those investors subject to regulatory capital requirements, the imposition of a proportional additional risk weight on the notes acquired by the relevant investor. Such requirements are provided, *inter alia*, by the following EU regulations (without prejudice to any other applicable EU regulations):

The CRR

The European Parliament and the EU Council adopted on 26 June 2013 Regulation (EU) No. 575/2013 and Directive 2013/36/EU (the so-called "**CRD IV**"). In particular, Directive 2013/36/EU governs the access to deposit-taking activities while Regulation No. 575/2013 (the "**CRR**" or the "**Capital Requirement Regulation**") establishes the prudential requirements institutions need to respect. The CRD IV has replaced and re-casted, in general, with effect from 1 January 2014, Directives 2006/48/EC and 2006/49/EC, as amended by Directive 2009/111/EC. In particular, pursuant to Article 163 of Directive 2013/36/EU, Directive 2006/48/EC has been repealed with effect from 1 January 2014 and references to such repealed Directive shall be construed as references to Directive 2013/36/EU and to Regulation (EU) No 575/2013 and shall be read in accordance with the correlation tables set out respectively in the abovementioned Directive and Regulation.

The main role of CRD IV is to implement in the EU the key Basel III reforms agreed in December 2010. These include, *inter alia*, amendments to the definition of capital and counterparty credit risk and the introduction of a leverage ratio and liquidity requirements. In particular, in the context of this new European regulatory capital framework, the provisions of Article 122-*bis* of Directive 2006/48/EC, as amended by Directive 2009/111/EC have been re-casted by the new provisions of Articles 404 to 409 of CRR (which includes, *inter alia*, the extension of the applications of the requirements also to regulated investment firms). In addition, the current guidelines on the abovementioned Article 122-*bis* will be replaced by new and potentially different regulatory technical standards in relation to which, the European Banking Authority published on 17

December 2013 the final draft regulatory technical standards ("**RTS**") on securitisation retention rules and related requirements, as well as the final draft implementing technical standards ("**ITS**") on the convergence of supervisory practices related to the implementation of additional risk weights in the case of non-compliance with the retention rules consultation paper. These RTS and ITS have been developed respectively in accordance with Article 410(2) and 410(3) of the CRR. In this respect, it has to be noted that (i) with respect to RTS, on 13 June 2014, it has been published in the Official Journal of the European Union the Commission Delegated Regulation (EU) No. 625/2014 (which has entered into force the twentieth day following the date of such publication), supplementing the CRR by way of regulatory technical standards specifying the requirements for investor, sponsor, original lenders and originator institutions relating to exposures to transferred credit risk; and (ii) with respect to ITS, on 5 June 2014, it has been published in the Official Journal of the European Union, the Commission Delegated Regulation (EU) No. 602/2014 (which has entered into force the twentieth day following the date of such publication), laying down implementing technical standards for facilitating the convergence of supervisory practices with regard to the implementation of additional risk weights according to the CRR. No assurance can be *provided that* any changes made or that will be made in connection with CRD IV and/or CRR (including through the corresponding regulatory technical standards) will not affect the requirements applying to relevant investors.

In particular, in Europe, investors should be aware that the Capital Requirements Regulation restricts an institution ("credit institutions" and "investment firms" - both as defined under the CRR - and their consolidated group affiliates thereof - provided that certain circumstances stated in article 14, paragraph 2, of the CRR are met) from investing in asset-backed securities unless the originator, sponsor or original lender in respect of the relevant securitisation has explicitly disclosed to such institution that it will retain, on an ongoing basis, a net economic interest of not less than 5% in respect of certain specified credit risk tranches or asset exposures as contemplated by Article 405 of the CRR ("**Article 405**"). In addition, Article 406 of the CRR requires such institution, before becoming exposed to the risks of a securitisation, and as appropriate thereafter, to be able to demonstrate to the competent authorities, for each of its securitisation transaction, that it has a comprehensive and thorough understanding of the key terms and risks of the transaction and it has undertaken certain due diligence in respect of, amongst other things, its note position and the underlying exposures and that procedures are established for such activities to be conducted on an on-going basis.

Pursuant to Article 407 of the CRR, where an institution does not meet the requirements in Articles 405, 406 or 409 of the CRR in any material respect by reason of the negligence or omission of the institution, the competent authorities shall impose a proportionate additional risk weight of no less than 250% of the risk weight (capped at 1 250%) which shall apply to the relevant securitisation positions in the manner specified in the CRR.

The AIFM Directive

On 22 July 2013, Directive 2011/61/EU of 8 June 2011 on Alternative Investment Fund Managers ("**AIFM**") became effective. Article 17 of AIFM required the EU Commission to adopt level 2 measures similar to those set out in CRR, permitting EU managers of alternative investment funds ("**AIFMs**") to invest in securitisation transactions on behalf of the alternative investment funds ("**AIFs**") they manage only if the originator, sponsor or original lender has explicitly disclosed that it will retain on an ongoing basis, a material net economic interest of not less than 5 (five) per cent in respect of certain specified credit risk tranches or asset exposures and also to undertake certain due diligence requirements. Commission Delegated Regulation (EU) no. 231/2013 (the "**AIFM Regulation**") included those level 2 measures. Although certain requirements in the AIFM Regulation are similar to those which apply under the CRR, they are not identical. In particular, the AIFM Regulation requires AIFMs to ensure that the sponsor or originator of a securitisation transaction meets certain underwriting and originating criteria in granting credit, and imposes more extensive due diligence requirements on AIFMs investing in securitisations than the ones are imposed on prospective investors under the CRR. Furthermore, AIFMs who discover after the

assumption of a securitisation exposure that the retained interest does not meet the requirements, or subsequently falls below 5 (five) per cent of the economic risk, are required to take such corrective action as is in the best interests of investors. It is unclear how this last requirement is expected to be addressed by AIFMs should those circumstances arise. The requirements of the AIFM Regulation apply to new securitisations issued on or after 1 January 2011.

Legislative Decree no. 44 of 4 March 2014 implementing AIFM has been published in the Official Gazette of the Republic of Italy on 25 March 2014.

The Solvency II Directive

Directive 2009/138/EU (the "**Solvency II Directive**") requires the adoption by the European Commission of implementing measures laying down the requirements that will need to be met by originators of asset-backed securities in order for EU insurance and reinsurance companies to be allowed to invest in such instruments following implementation of the Solvency II Directive. In particular, in order to ensure cross-sector consistency and to remove misalignment between the interests of the originators and the interests of insurance or reinsurance companies that invest in securitisation positions, the Solvency II Directive specifically provides that the European Commission shall adopt implementing measures laying down:

(a) the requirements that need to be met by the originator in order for insurance or reinsurance companies to be allowed to invest in asset back securities issued after 1 January 2011, including requirements that ensure that the originator retains a net economic interest in such instruments of no less than 5 (five) per cent; and

(b) qualitative requirements that must be met by insurance or reinsurance companies that invest in such securities in respect of certain specified credit risk tranches or asset exposures.

The terms of the implementing measures which will be adopted by the European Commission are not yet finalised, but it is expected such measures will require insurance and reinsurance companies to carry out due diligence prior to investing in asset backed securities and that failure to comply with the requirements set out in the implementing measures will result in a penal capital charge to the insurance or reinsurance company.

****

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

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

With respect to the commitment of the Originator to retain a material net economic interest in the securitisation in accordance with option (1)(d) of Article 405 of the CRR and option (1)(d) of Article 51 of the AIFM Regulation and with respect to the information made available to the Noteholders and prospective investors in accordance with Article 405 and following of the CRR, please refer to the Section headed "*Regulatory Capital Requirements*".

Prospective Noteholders are required to independently assess and determine the sufficiency of the information described above for the purposes of complying with any and all relevant requirements applicable to it and none of the Issuer, the Originator, the Servicer, the Arranger or any other party

to the Transaction Documents makes any representation that the information described above is sufficient in all circumstances for such purposes. Prospective Noteholders who are uncertain as to the requirements that will need to be complied with in order to avoid the additional regulatory charges for non-compliance with the applicable provisions and any implementing rules in a relevant jurisdiction should seek guidance from their regulator.

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

Change of Law

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

None of the Issuer, the Originator, the Arranger or any other party to the Transaction Documents has or will have any obligation to update or revise any forward-looking statements contained herein to reflect events or circumstances occurring after the date of this Prospectus. The Originator or the Arranger have not verified these statements nor are giving any representations on these statements.

Risks arising from the sovereign debt crisis

The Issuer is affected by disruptions and volatility in the global financial markets. During the period between 2011 and 2012, the debt crisis in the Euro-zone intensified and three countries (Greece, Ireland and Portugal) requested the financial aid of the European Union and the International Monetary Fund. More recently, in 2013, aid was also requested by Cyprus. Credit quality has generally declined, as reflected by downgrades suffered by several countries in the Euro-zone, including Italy, since the beginning of the sovereign debt crisis in May 2010. The large sovereign debts and fiscal deficits in European countries have raised concerns regarding the financial condition of Euro-zone financial institutions and their exposure to such countries, the overall stability of the Euro and the suitability of the Euro as a single currency given the diverse economic and political circumstances in individual Member States. These and other concerns may have an impact on Euro-zone banks' funding and could lead to the re-introduction of individual currencies in one or more Member States, or, in more extreme circumstances, the possible dissolution of the Euro entirely. Should the Euro dissolve entirely, the legal and contractual consequences for the Noteholders would be determined by laws in effect at such time.

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.

U.S. Foreign Account Tax Compliance Act Withholding

The U.S. Foreign Account Tax Compliance Act ("**FATCA**") generally imposes a new reporting regime and potentially a 30.00 per cent withholding tax with respect to certain payments to certain non-U.S. financial institutions (including entities such as the Issuer) that do not (i) enter into and comply with an agreement with the U.S. Internal Revenue Service ("**IRS**") to provide certain information about the holders of its debt or equity or (ii) comply with any law implementing an intergovernmental agreement, if any, between the United States and the applicable residence jurisdiction (an "**IGA**"). The new withholding regime will be phased in beginning on 1 July 2014, with respect to certain U.S. source payments, but FATCA withholding on debt obligations generating non-U.S. source interest (such as the Notes) will not begin to apply at the earliest until 2017. Furthermore, in accordance with a grandfathering rule, even if the payments on the Notes are otherwise potentially subject to FATCA withholding, the Notes, so long as they are characterised as indebtedness for U.S. federal income tax purposes, should only become subject to the FATCA regime if the Notes are issued (or materially modified) after the date that is six months after the date final regulations defining the term "foreign pass-through payment" are published. No such final regulations have been published yet. In particular, a FATCA withholding tax may be triggered if (i) the issuer is a foreign financial institution ("**FFI**") (as defined by FATCA), which enters into and complies with an agreement with the IRS to provide certain information on its account holders (a term which includes the holders of its debt or equity interests that are not regularly traded on an established securities market) (making the issuer a "**participating FFI**"), (ii) any payment by the issuer is considered to be attributable to any U.S. source "withholdable payment" to the issuer, and (iii) (a) an investor does not provide information sufficient for the participating FFI to determine whether the investor is a U.S. person or should otherwise be treated as holding a "United States account" of such issuer, or (b) any FFI through which payment on the notes or other payments are made is not a participating FFI.

The United States is in the process of negotiating IGAs to implement FATCA with a number of jurisdictions. Different rules than those described above may apply if the Issuer or an investor is resident in a jurisdiction that has entered into an IGA. Italy and the United States have entered into a so-called Model 1 IGA under which information regarding direct and indirect U.S. investors in the Issuer may be provided to the Italian tax authorities, which would provide such information to the U.S. tax authorities. Under the Italian IGA, the Issuer will not be required to enter into an agreement with the IRS, but would instead be required to register with the IRS and comply with any Italian legislation that would be implemented to give effect to such IGA. However, in order to enter in force, the Italian IGA has to be ratified by the Italian Parliament. As of the date of this Prospectus, the Republic of Italy has not yet approved the Italian law ratifying the intergovernmental agreement implementing FATCA in Italy and the related implementing provisions.

Because many aspects of the application of FATCA to the Issuer are uncertain and will have to be addressed in future legislation or regulatory guidance, it is not clear at this time how the FATCA reporting and withholding regime may affect interest, principal or other amounts due under the Notes or any payment to be made by any paying agent or any other Party to this Transaction, or what actions, if any, will be required to minimise the impact of FATCA on the Issuer and the Noteholders. No assurance can be given that the Issuer will take any actions or that, if actions are taken, they will be successful in minimising the new FATCA withholding tax. If an amount in respect of U.S. withholding tax (including under FATCA) were to be deducted or withheld from interest or principal on the Notes or other payments from a Party to this Transaction as a result of a holder's failure to comply with these rules or as a result of the presence in the payment chain of a non-participating FFI, none of the Issuer, any paying agent or any other person would, pursuant to the Conditions or any other Transaction Documents, be required to pay additional amounts as a result of the deduction or withholding of such tax.

Holders of Notes should consult their own tax advisors about the application of FATCA and on how the above rules may apply to, or affect payments to be received under the Notes or any other payments to be made by the Parties to this Transaction.

The Issuer believes that the risks described above are the principal risks inherent in the Transaction for holders of the Senior Notes but the inability of the Issuer to pay interest or repay principal on the Senior Notes may occur for other reasons and the Issuer does not represent that the above statements of the risks of holding the Senior Notes are exhaustive. While the various structural elements described in this Prospectus are intended to lessen some of these risks for holders of the Senior Notes, there can be no assurance that these measures will be sufficient or effective to ensure payment to the holders of the Senior Notes of any Class of interest or principal on such Notes on a timely basis or at all. Additional risks and uncertainties not presently known to the Issuer or that it currently believes to be immaterial could also have a material impact on its business operations.

THE PORTFOLIO

Introduction

The Portfolio consists of the Receivables, classified as performing, arising under financial lease contracts entered into between Banca Italease S.p.A. (or by companies belonging to the Banca Italease Group) or Mediocreval S.p.A. (subsequently merged by incorporation in Credito Valtellinese S.C.p.A. by a deed of incorporation dated 15 July 2014) and subsequently transferred to Alba Leasing pursuant to deeds of contribution of going concern (*atti di conferimento di ramo d'azienda*) entered into, pursuant to Article 58 of the Consolidated Banking Act, with Banca Italease S.p.A. on 24 December 2009 and Credito Valtellinese S.C.p.A. on 30 July 2014 and 30 September 2014.

The Receivables have been transferred to the Issuer pursuant to the terms of the Transfer Agreement, together with any ancillary rights of the Originator to guarantees or security interests and any related rights, which have been granted to secure or ensure the payment and/or the recovery of any of the Receivables. The Outstanding Balance of the Portfolio as at 3 November 2014 (the "**Valuation Date**") was equal to Euro 731,305,804.17.

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 Portfolio comprised debt obligations owed by 2,205 Lessees under 3,411 Lease Contracts. All of 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 SDD (*SEPA Direct Debit*) system.

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 Originator's 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.

The Assets

The underlying Assets covered by the Lease Contracts comprised in the Portfolio may be classified into four 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 Portfolio

All the Receivables comprised in the Portfolio as at 3 November 2014 (the "**Valuation Date**") (save as otherwise specified), met the following criteria:

(a) the relevant Lease Contracts are denominated in Euro;

(b) the relevant Lease Contracts are governed by the Italian law;

(c) the relevant Lease Contracts provide for a fixed interest rate or a floating interest rate;

(d) the relevant Lease Contracts do not qualify as distance contracts (*contratti a distanza*);

(e) the relevant Lease Contracts have not been entered pursuant to Italian law No. 1329 of 28 November 1965 (so-called "*Legge Sabatini*"), as indicated in the relevant Lease Contract, nor on the basis of any other facility or contribution by the State or public administrations or public entities, or private companies, being directly or indirectly, owned by a public administration, nor on the basis of any provision, giving right to any *droit de suite* (*diritto di seguito*), property or other privilege in favour of such entities, save for the facilities or contributions provided by the Italian law No. 240 of 21 May 1981 (*Provvidenze a favore dei consorzi e delle società consortili tra piccole e medie imprese nonce delle società consortili miste*) (codes No. 200 and 205), by the Law of the Autonomous Province of Bolzano No. 1 of 8 January 1993 (*Interventi provinciali per lo svilupppo dell'economia cooperativa*) (code No. 536), by the Law of the Veneto Region No. 5 of 9 February 2001 (*Provvedimento generale di rifinanziamento e di modifica di leggi regionali per la formazione del bilancio annuale e pluriennale della Regione (Legge finanziaria 2001)*) (code No. 496), by the "*Programma Operativo Regionale*" (POR-FESR) 2007-2013 of the Veneto Region and the Resolution of the Regional Government No. 3495 of 17 November 2009 (code No. 495), by the "*Programma Operativo Regionale*" (POR-FESR) 2007-2013 of Liguria Region and the Resolution of the Regional Government No. 1278 of 26 October 2007 (code No. 440), by Italian law No. 662 of 23 December 1996 (*Misure di razionalizzazione della finanza pubblica*) (code No. 494), by the Law of the Autonomous Province of Bolzano – Alto Adige No. 27 of 13 November 1986 (*Credito al Commercio*), as subsequently abrogated by the Law of the Autonomous Province of Bolzano – Alto Adige No. 4 of 13 February 1997, No. 4 (code No. 535), by the Law of the Autonomous Province of Trento No. 6 of 13 December 1999 (*Interventi della Provincia per il sostegno dell'economia e della nuova imprenditorialità locale, femminile e giovanile. Aiuti per i servizi alle imprese, alle reti d'impresa, all'innovazione e all'internazionalizzazione. Modificazioni della legge sulla programmazione provinciale*) (code No. 547), by the Law of Veneto Region No. 2 of 17 January 2002 (code No. 499), by the Italian law No. 598 of 29 October 1994 (*Conversione in legge, con modificazioni, del decreto-legge 29 agosto 1994, n. 516, recante provvedimenti finalizzati alla razionalizzazione dell'indebitamento delle società per azioni interamente possedute dallo Stato, nonchè ulteriori disposizioni concernenti l'EFIM ed altri organismi*) (code No. 300), by the "*Programma Operativo Regionale*" (POR-FESR) 2007 – 2013 of the Umbria Region (code No. 590); by the Tender for the productive investments by enterprises in the area affected by the earthquake POR FESR 2007 – 2013 – ASSE 2 – Attività II. 2.1 addressed to SME (code No. 548) and by the European Union support measures on the basis of the "*Strumento di Condivisione del Rischio per PMI e Small Mid Cap Innovative e orientate alla ricerca (strumento RSI) – compartimento dedicato dello strumento finanziario di condivisione del rischio*" (code No. 063), by the Law of the Lombardy Region No. 1 of 2 February 2007 (*Strumenti di competitività per le imprese e per il territorio della Lombardia*) and Schedule 2 of its implementing decree No. 7203 of 29 June

2007 of the General Directorate of Handicrafts and Services (*Direzione Generale Artigianato e Servizi*) (*Misura B - Regolamento per le operazioni di credito artigiano agevolato*) (code No. 210), by the Law of Lombardy Region No. 2 of 14 March 2003 (*Programmazione negoziata regionale*) and by its implementing regulations No. 18 of 12 August 2003 (*Regolamento attuativo della Legge Regionale 14 marzo 2003, n. 2 "Programmazione negoziata regionale"*) (code No. 470);

(f) whose Debtor declared, in the relevant Lease Contracts, to be domiciled or residents in Italy;

(g) whose Debtors are not employees or shareholders of Alba Leasing, nor public administrations or public entities, nor private companies being, directly or indirectly, owned by a public administration;

(h) in respect of which Alba Leasing has not commenced against the relevant Debtor (i) bankruptcy proceedings or other insolvency proceedings; or (ii) an action, judicial or extrajudicial, for the recovery of debts owed by the same Debtor;

(i) the relevant Debtors have paid all Instalments or there are no Instalments due and unpaid for more than 30 (thirty) days by the relevant expiration date;

(j) the relevant Lease Contracts provide the obligation of the relevant Lessee to entered into an insurance policy issued by a primary insurance company in order to insure the relevant Asset;

(k) the Assets which are the object of the relevant Lease Contracts include: (a) real estate assets located in Italy; (b) trains, ships or vessels; (c) vehicles, motor-vehicles, cars, light lorries, commercial vehicles, industrial vehicles or other motorised vehicles (excluding aircrafts); (d) industrial vehicles or other vehicles registered in Italy or instrumental assets (such as machineries and equipments);

(l) in respect of which have not been notified in writing by Alba Leasing to the relevant Debtor: (i) enforcement proceedings, or similar protective measures in relation to the Asset which are object of the relevant Lease Contract; or (ii) the sale of the Asset which is the object of the relevant Lease Contract; or (iii) the termination of the Lease Contract;

(m) in respect of which has not been notified in writing by the Debtor to Alba Leasing (i) a report of theft (*denuncia di furto*) of the Asset which is the object of the relevant Lease Contract; or (ii) the suspension of payment of the Instalments; or (iii) the return of the Asset which is the object of the relevant Lease Contract; or (iv) the early termination of the Lease Contract;

(n) the construction of the Assets which are the object of the relevant Lease Contract has been completed and the Assets have been delivered to the Debtor following the disbursement of the entire financing;

(o) the relevant Lease Contracts provide for the obligation of the Debtor to make scheduled payments in any case, even if the relevant Asset is not suitable for the intended use, is destroyed or is not available to the Debtor for reasons not attributable to Alba Leasing;

(p) the relevant Lease Contracts expressly provide the possibility in favour of the relevant Debtor to purchase the relevant Asset at the expiry date of the Lease Contract;

(q) the date for the exercise of the option to purchase the Asset and for the payment of the relevant purchase price (as indicated in the Lease Contracts) is later than 31 December 2014 (included);

(r) the original contractual duration of the Lease Contracts does not exceed 312 months;

(s) the payment date of the last Instalment (as set out in the relevant Lease Contract) falls after 1 April 2032.

With the express exclusion of receivables arising from instalments due for the period from 1 November 2014 to 3 November 2014 (excluded) and receivables arising from instalments not identified with the code "SUN01MMAA", as notified to the debtors and delivered by "postel"

system or similar service whose expiry date is between 3 November 2014 (included) and the date identified of the month and the year specified in such code respectively as "mm" and "aa".

The transfer of the Receivables from the Originator to the Issuer has been (i) registered on the Companies Register of Milan on 10 December 2014 and (ii) published in the Official Gazette No. 147, Part II, on 13 December 2014.

The following tables set out details of the Portfolio derived from information provided by Alba Leasing as Originator and Servicer on behalf of the Issuer of the Receivables comprised in the Portfolio, as at the Valuation Date. The characteristics of the Portfolio, as of the Issue Date, may vary from those set forth in the tables as a result, *inter alia*, of prepayments prior to the Issue Date.

Unless stated otherwise, in the following range breakdown tables the lower boundary is intended included, the upper boundary is intended excluded. In the following range breakdown tables, numbers might not add up to total shown due to rounding.

Current Principal Balance includes residual value

By Product

ALBA LEASING S.P.A.	Auto	Equipment	Real Estate	Naval	Overall Portfolio
Total:	**23,528,616.26**	**96,218,516.07**	**610,455,154.95**	**1,103,516.89**	**731,305,804.17**
Current Principal Balance (Euro)	23,528,616.26	96,218,516.07	610,455,154.95	1,103,516.89	731,305,804.17
Number of Loans	1,201	1,513	691	6	3,411
Number of Borrowers	749	960	616	6	2,205
Avg. Current Principal Balance	19,590.85	63,594.52	883,437.27	183,919.48	214,396.31
Max Current Principal Balance	160,909.68	3,506,494.43	35,199,858.58	815,094.84	35,199,858.58
Min Current Principal Balance	564.01	206.28	4,917.15	10,411.09	206.28
Avg. Original Principal Balance	43,001.14	162,335.93	1,592,891.91	584,233.17	410,862.60
Max Original Principal Balance	688,000.00	14,800,000.00	46,000,000.00	2,150,000.00	46,000,000.00
Min Original Principal Balance	6,859.50	3,760.56	25,000.00	89,000.00	3,760.56
WA Seasoning (years)	1.76	2.94	6.82	5.57	6.15
WA Remaining Term (years)	2.82	3.73	9.54	2.42	8.55
WA Maturity (years)	4.58	6.67	16.36	7.99	14.70
WA Coupon Only for Fixed (%)	5.60	5.44	5.50	0.00	5.50
WA Spread Only for Floating (%)	4.45	3.13	1.38	2.23	1.70
Top 1 Borrower (%)	5.39	7.27	6.62	73.86	5.52
Top 5 Borrower (%)	11.46	21.01	21.15	99.06	17.66
Top 10 Borrower (%)	15.93	29.06	29.15	100.00	24.33
Top 20 Borrower (%)	24.11	39.10	37.93	100.00	32.02
Top 50 Borrower (%)	40.40	52.55	54.02	100.00	46.10
Top 1 Borrower Group (%)	5.39	7.27	6.62	73.86	5.52
Top 5 Borrower Groups (%)	11.46	22.29	21.15	99.06	17.66
Top 10 Borrower Groups (%)	15.93	30.99	29.15	100.00	24.50
Top 20 Borrower Groups (%)	24.11	40.71	37.93	100.00	32.25
Top 50 Borrower Groups (%)	40.51	53.87	54.02	100.00	46.48

Originated		Current Principal Balance (€)	% of Current Principal Balance	Number of Loans	% of Loans
Creval	Auto	23,226,956.16	3.18	1,188	34.83
	Equipment	83,757,410.26	11.45	1,427	41.84
	Real Estate	276,950,535.40	37.87	533	15.63
	Naval	181,369.59	0.02	1	0.03
Ex-Italease	Auto	301,660.10	0.04	13	0.38
	Equipment	12,461,105.81	1.7	86	2.52
	Real Estate	333,504,619.55	45.6	158	4.63
	Naval	922,147.30	0.13	5	0.15
Grand Total:		**731,305,804.17**	**100**	**3,411**	**100**

By Current Principal Balance (Euro)	Current Principal Balance (€)	% of Current Principal Balance	Number of Loans	% of Loans
1 - 50,000	37,730,044.27	5.16	2,239	65.64
50,001 - 100,000	26,123,494.29	3.57	367	10.76
100,001 - 150,000	19,995,885.10	2.73	163	4.78
150,001 - 200,000	20,297,241.22	2.78	118	3.46
200,001 - 500,000	83,856,730.12	11.47	260	7.62
500,001 - 700,000	31,957,267.24	4.37	55	1.61
700,001 - 1,000,000	48,415,919.33	6.62	58	1.70
1,000,001 - 1,500,000	74,806,410.88	10.23	61	1.79
1,500,001 - 2,000,000	41,229,580.21	5.64	24	0.70
2,000,001 - 5,000,000	162,612,722.46	22.24	52	1.52
5,000,001 - 10,000,000	49,757,589.74	6.80	7	0.21
10,000,001 - 15,000,000	24,252,952.36	3.32	2	0.06
15,000,001 - 20,000,000	31,808,734.27	4.35	2	0.06
20,000,001 >=	78,461,232.68	10.73	3	0.09
Total:	**731,305,804.17**	**100.00**	**3,411**	**100.00**

By Original Principal Balance (Euro)	Current Principal Balance (€)	% of Current Principal Balance	Number of Loans	% of Loans
1 - 50,000	17,049,506.93	2.33	1,482	43.45
50,001 - 100,000	21,007,369.80	2.87	650	19.06
100,001 - 150,000	14,276,518.92	1.95	261	7.65
150,001 - 200,000	13,512,113.00	1.85	167	4.90
200,001 - 500,000	65,810,299.29	9.00	411	12.05
500,001 - 700,000	32,622,099.41	4.46	106	3.11
700,001 - 1,000,000	41,943,497.82	5.74	89	2.61
1,000,001 - 1,500,000	50,483,869.06	6.90	70	2.05
1,500,001 - 2,000,000	41,658,348.87	5.70	39	1.14
2,000,001 - 5,000,000	164,262,418.66	22.46	95	2.79
5,000,001 - 10,000,000	98,663,309.97	13.49	27	0.79
10,000,001 - 15,000,000	36,357,109.32	4.97	6	0.18
20,000,001 >=	133,659,343.12	18.28	8	0.23
Total:	**731,305,804.17**	**100.00**	**3,411**	**100.00**

By Origination Year	Current Principal Balance (€)	% of Current Principal Balance	Number of Loans	% of Loans
2000	85,767.58	0.01	2	0.06
2001	189,319.98	0.03	2	0.06
2002	692,191.24	0.09	5	0.15
2003	3,084,083.41	0.42	8	0.23
2004	15,851,691.59	2.17	20	0.59
2005	108,455,724.47	14.83	72	2.11
2006	73,837,920.89	10.10	106	3.11
2007	143,340,771.67	19.60	133	3.90
2008	103,678,839.51	14.18	232	6.80
2009	69,521,288.71	9.51	222	6.51
2010	64,056,925.34	8.76	381	11.17
2011	46,784,123.45	6.40	662	19.41
2012	42,627,887.91	5.83	640	18.76
2013	43,916,409.18	6.01	586	17.18
2014	15,182,859.24	2.08	340	9.97
Total:	**731,305,804.17**	**100.00**	**3,411**	**100.00**

By Seasoning (in years)*	Current Principal Balance (€)	% of Current Principal Balance	Number of Loans	% of Loans
0 - 2	71,117,087.94	9.72	1,082	31.72
2 - 4	85,256,564.11	11.66	1,223	35.85
4 - 6	143,002,139.15	19.55	582	17.06
6 - 8	245,812,038.94	33.61	340	9.97
8 - 10	174,960,140.12	23.92	151	4.43
10 - 15	11,157,833.91	1.53	33	0.97
Total:	**731,305,804.17**	**100.00**	**3,411**	**100.00**
Weight. Av. Seasoning	6.15			

**lower bound has to be intended as excluded, upper bound has to be intended as included*

By Remaining terms (in years)*	Current Principal Balance (€)	% of Current Principal Balance	Number of Loans	% of Loans
0 - 5	172,839,016.03	23.63	2,771	81.24
5 - 10	244,950,478.78	33.49	317	9.29
10 - 15	284,308,626.41	38.88	298	8.74
15 - 20	29,207,682.95	3.99	25	0.73
Total:	**731,305,804.17**	**100.00**	**3,411**	**100.00**
Weight. Av. Remaining Terms	8.55			

**lower bound has to be intended as excluded, upper bound has to be intended as included*

By Maturity Year	Current Principal Balance (€)	% of Current Principal Balance	Number of Loans	% of Loans
2015 <=	24,599,905.48	3.36	715	20.96
2016 - 2018	131,115,717.75	17.93	1,875	54.97
2019 - 2021	120,464,363.28	16.47	335	9.82
2022 - 2024	180,931,448.21	24.74	167	4.90
2025 - 2027	156,417,614.80	21.39	187	5.48
2028 - 2030	103,166,534.21	14.11	126	3.69
2031 - 2033	14,610,220.44	2.00	6	0.18
Total:	**731,305,804.17**	**100.00**	**3,411**	**100.00**

By Interest Rate Type	Current Principal Balance (€)	% of Current Principal Balance	Number of Loans	% of Loans
Floating rate	695,769,650.15	95.14	3,126	91.64
Fixed rate	35,536,154.02	4.86	285	8.36
Total:	**731,305,804.17**	**100.00**	**3,411**	**100.00**

By Interest Rate Coupon (Only for Fix	Current Principal Balance (€)	% of Current Principal Balance	Number of Loans	% of Loans
3.01 - 3.50	276,960.28	0.78	6	2.11
3.51 - 4.00	460,076.80	1.29	8	2.81
4.01 - 4.30	82,489.20	0.23	3	1.05
4.31 - 4.50	178,764.11	0.50	8	2.81
4.51 - 4.70	1,151,360.31	3.24	22	7.72
4.71 - 5.00	1,435,772.89	4.04	26	9.12
5.01 - 5.50	12,728,544.49	35.82	58	20.35
5.51 - 6.00	14,793,609.32	41.63	63	22.11
6.01 - 6.50	2,657,999.52	7.48	45	15.79
6.51 - 7.00	1,298,424.72	3.65	26	9.12
7.01 - 7.30	165,054.47	0.46	4	1.40
7.31 - 7.50	108,674.92	0.31	5	1.75
7.51 - 7.70	128,541.59	0.36	7	2.46
7.71 - 8.00	12,474.60	0.04	1	0.35
8.01 - 8.50	10,994.54	0.03	1	0.35
8.51 - 9.00	23,301.66	0.07	1	0.35
9.51 - 10.00	23,110.60	0.07	1	0.35
Total:	**35,536,154.02**	**100.00**	**285**	**100.00**

By Reference Rate	Current Principal Balance (€)	% of Current Principal Balance	Number of Loans	% of Loans
Euribor 3m	695,009,526.88	99.89	3,122	99.87
Euribor 1m	528,743.84	0.08	2	0.06
Euribor 6m	231,379.43	0.03	2	0.06
Total:	**695,769,650.15**	**100.00**	**3,126**	**100.00**

By Borrower Geographic Area		Current Principal Balance (€)	% of Current Principal Balance	Number of Loans	% of Loans
Northern Italy	Lombardia	371,073,858.26	50.74	2,071	60.72
	Veneto	88,194,125.11	12.06	137	4.02
	Emilia Romagna	71,419,275.12	9.77	74	2.17
	Piemonte	9,858,276.26	1.35	133	3.9
	Trentino Alto Adige	8,967,386.54	1.23	34	1
	Liguria	3,446,008.16	0.47	7	0.21
	Friuli Venezia Giulia	1,518,727.99	0.21	4	0.12
	Valle D Aosta	107,352.93	0.01	1	0.03
Northern Italy		**554,585,010.37**	**75.84**	**2,461**	**72.17**
Central Italy	Lazio	91,090,678.08	12.46	259	7.59
	Toscana	15,641,465.05	2.14	98	2.87
	Marche	7,894,349.40	1.08	135	3.96
	Umbria	336,601.91	0.05	11	0.32
Central Italy		**114,963,094.44**	**15.73**	**503**	**14.74**
South and Islands	Sicilia	36,751,229.07	5.03	408	11.96
	Campania	21,790,461.91	2.98	9	0.26
	Puglia	2,204,700.65	0.3	12	0.35
	Calabria	466,282.25	0.06	7	0.21
	Abruzzo	372,505.76	0.05	6	0.18
	Basilicata	122,173.77	0.02	3	0.09
	Sardegna	50,345.95	0.01	2	0.06
South and Islands		**61,757,699.36**	**8.45**	**447**	**13.11**
Grand Total:		**731,305,804.17**	**100**	**3,411**	**100**

By Payment Frequency	Current Principal Balance (€)	% of Current Principal Balance	Number of Loans	% of Loans
Monthly	621,954,517.16	85.05	3,291	96.48
Bimonthly	28,161.36	0.00	2	0.06
Quarterly	104,449,653.21	14.28	114	3.34
Four-months	2,479,198.65	0.34	2	0.06
Semiannual	2,394,273.79	0.33	2	0.06
Total:	**731,305,804.17**	**100.00**	**3,411**	**100.00**

THE ORIGINATOR AND THE SERVICER

The information contained herein relates to and has been obtained from Alba Leasing. 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, 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 since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

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

On 30 July 2014, Credito Valtellinese S.C.p.A. ("**Creval**"), parent company of the banking Group of the same name ("**Creval Group**"), and Alba Leasing implemented a framework agreement for the development of a strategic alliance in the leasing business.

As result of the transfer, the capital of Alba Leasing shall break down as follows: Banca Popolare dell'Emilia Romagna S.c. (33.50%, rated "BB+" by Fitch and "BB" by S&P), Banco Popolare S.c., through its wholly owned subsidiary Banca Italease S.p.A. (30.15%, rated "BBB" by Fitch and "Ba3" by Moody's), Banca Popolare di Sondrio S.c.p.a. (19.26%, rated "BBB" by Fitch), Banca Popolare di Milano S.c. (9.04%, rated "BB+" by Fitch, "B+" by S&P and "B1" by Moody's) and Credito Valtellinese S.c. (8.05%, rated "BB" by Fitch and "Ba3" by Moody's).

The total shareholder capital of Alba Leasing stands at Euro 357.9 million.

Alba Leasing is committed to become the best practicing leasing company in Italy, in terms of business effectiveness and operational efficiency, in order to compete with major domestic players in the Italian leasing market.

According to Assilea data (as at 31 December 2013), Alba Leasing ranked among the top ten Italian leasing companies, with a market share of 5.63%, with a focus on the equipment sector, reaching a market share of 7.83%.

The main origination channel of Alba Leasing is through the shareholder networks spread around Italy (approx. 5,700 branches and 2 million customers).

Since 2010, Alba Leasing has originated Euro 3,288 million in new leasing contracts (average ticket size Euro 85,000) with the following breakdown:

- equipment Euro 2,148 million (66%)
- real estate Euro 801million (24%)
- automotive Euro 271million (8%)
- other (air/naval/rail) Euro 68million (2%)

As of 31 December 2013, the total outstanding portfolio accounted to approximately Euro 4.1 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. 5,700 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.

Balance Sheet

	Assets	**31/12/2013**	**31/12/2012**	**31/12/2011**
10	Cash and Liquid Funds	6,819	9,262	8,114
20	Financial Assets	1,793,016	3,630,152	9,605,074
60	Loans to Customers	4,178,804,130	4,290,358,868	4,534,063,421
100	Tangible Assets	159,185	201,150	243,190
110	Intangible Assets	125,570	58,922	22,930
120	Tax Assets	52,410,930	45,052,556	42,454,504
	a) current	7,438,417	7,476,364	8,724,261
	b) prepaid	44,972,513	37,576,192	33,730,243
	of which ex-lege 214/2011	41,619,365	35,487,856	31,938,215
140	Other Assets	274,948,236	249,483,213	220,926,198
	Total	**4,508,247,886**	**4,588,794,123**	**4,807,323,431**

	Items of the liabilities and shareholders' equity	**31/12/2013**	**31/12/2012**	**31/12/2011**
10	Due to bank	3,393,529,682	3,102,300,062	2,916,355,621
20	Financial liabilities held for trading	716,270,984	1,142,460,243	1,527,860,945
30	Securities	1,795,637	4,013,250	9,984,879
90	Other liabilities	24,298,078	21,984,376	22,359,420
100	Employee severance indemnity	2,436,710	2,941,124	2,636,866
110	Funds for risks and charges:	5,462,022	4,323,525	4,082,021
	b) other funds	5,462,022	4,323,525	4,082,021
120	Equity	325,000,000	255,000,000	255,000,000
150	Issue premiums	105,000,000	105,000,000	105,000,000
160	Reserves	(49,066,992)	(35,985,212)	(28,979,435)
170	Valuation reserves	(1,851)	(161,464)	28,890
180	Profit (loss) for the year	(16,476,384)	(13,081,781)	(7,005,776)
	Total	**4,508,247,886**	**4,588,794,123**	**4,807,323,431**

P&L

(thousand euro)	**31/12/2013**	**31/12/2012**	**31/12/2011**

10	Interest income and similar revenues	116,950,222	134,743,095	165,013,967
20	Interest expense and similar charges	(51,533,271)	(72,333,108)	(92,312,730)
	Interest margin	**65,416,951**	**62,409,987**	**72,701,237**
30	Commission income	8,977,897	6,538,523	7,577,222
40	Commission expense	(8,707,028)	(6,250,412)	(6,664,245)
	Net commissions	**270,869**	**288,111**	**912,977**
50	Dividends and similar income	-	-	-
60	Net profit on trading	(496,212)	517,543	1,354,920
90	Profits (losses) from sale of:	69,921	-	-
	a) financial assets	69,921	-	-
	b) financial liabilities	-	-	-
	Earning margin	**65,261,529**	**63,215,641**	**74,969,134**
100	Net write-downs/write-backs for impairment of:	(40,442,364)	(39,831,459)	(42,018,573)
	a) loans	(40,442,364)	(39,831,459)	(42,018,573)
	b) liabilities	-	-	-
110	Administrative costs:	(47,885,916)	(40,423,934)	(42,503,138)
	a) personnel costs	(31,809,530)	(26,430,514)	(26,218,086)
	b) total other administrative costs	(16,076,386)	(13,993,420)	(16,285,052)
120	Net write-downs/write-backs on tangible assets	(50,426)	(47,831)	(43,832)
130	Net write-downs/write-backs on intangible assets	(34,852)	(18,552)	(7,643)
140	Net Profit Fair Value Valuation of the Assets tangible and intangible	-	-	-
150	Net provisions for write-off and charges	398,823	330,406	3,984,198
160	Other operating income/charges	216,221	2,463,967	1,526,339
	Profit (loss) on ordinary activity	**(22,536,985)**	**(14,311,762)**	**(4,093,515)**
170	Profit (Loss) on equity investments	-	-	-
180	Profit (Loss) on disposal of investments	(110,004)	10,903	130,863
	Profit (loss) on ordinary activities before taxation	**(22,646,989)**	**(14,300,859)**	**(3,962,652)**
190	Income taxes for the year	6,170,605	1,219,078	(3,043,124)
	Profit (loss) on ordinary activities net of taxation	**(16,476,384)**	**(13,081,781)**	**(7,005,776)**
	Profit (loss) for the year	**(16,476,384)**	**(13,081,781)**	**(7,005,776)**

Source: Alba Leasing Annual Reports

In Eur millions	2010	2011	2012	2013
Total Assets	4,812	4,807	4,589	4,508
% annual growth	*n.a*	-0.10%	-4.54%	-1.77%
Total Loans	4,447	4,322	4,110	3,986
% annual growth	*n.a*	-2.81%	-4.91%	-3.02%
Net income	-9.9	-7.0	-13.1	-16.5
% annual growth	*n.a*	-29.29%	87.14%	25.95%
Shareholders' equity	330.9	324.0	310.8	364.5
% annual growth	*n.a*	-2.09%	-4.07%	17.28%

FINANCIAL RATIOS

	2010	2011	2012	2013
Regulatory ratios				
Total capital ratio	7.23%	7.26%	7.50%	9.15%
Tier One ratio	7.23%	7.26%	7.50%	9.15%
Credit quality ratios				
Net non-performing loans/loans to customer	2.47%	3.76%	6.06%	7.80%
Net watch list/Loans to customer	2.79%	3.98%	5.78%	7.80%

Source: Alba Leasing Annual Reports

COLLECTION POLICIES

Credit Monitoring

The payment history of Alba Leasing's customers is monitored on a continuous basis. Lease payments are made through direct payment, by electronic transfer or bank cheque. Defaults in payment, in the case of payment by electronic transfer, are identified within 10 (ten) days upon receipt by Alba Leasing of an electronic default notice from the relevant bank and, following the receipt of such notice, Alba Leasing immediately sends a payment reminder to the customer. Alba Leasing keeps in contact with the customer to inquire about payment or to establish a payment re-schedule, if requested. If a payment re-schedule is granted, Alba Leasing monitors the relevant customer's performance.

If the foregoing measures do not lead to a satisfactory outcome, Alba Leasing transfers the lease to its *Ufficio Contenzioso* (Litigation Department) which is in charge of collecting the sums due under the lease or to recover the asset itself, if appropriate. If legal action is necessary to recover any assets, the file is assigned to a law firm to commence legal action to repossess the asset and/or recover any defaulted payments, with written notice to the relevant customer, to the guarantor, if any, and, if appropriate, to the member bank. Alba Leasing pursues any opportunity to settle legal claims.

Loan history

Non-performing leases are classified pursuant to Bank of Italy's guidelines into four categories: (i) leases in delinquency for more than 90 (ninety) consecutive days; (ii) restructured leases; (iii) leases which are on the watch-list or are delinquent (*incagli*); and (iv) bad debts (*sofferenze*).

"*Outstanding for more than 90 (ninety) days*" includes leases either overdue or overrun by more than 90 (ninety) days.

"*Restructured leases*" are exposures for which a bank (or a pool of banks), due to a worsening in the economic-financial situation of the lessee, agrees to modify the original contractual terms and conditions (e.g. expiry date, reduction of debts or interest) which led to a loss. The requirements in relation to the "worsening of the economic-financial situation of the debtor" and the presence of a "loss" are satisfied whenever the restructuring relates to exposures of persons already classified as abnormal delinquency or overdue/overrun exposures for more than 180 (one hundred and eighty) consecutive days.

An "*incaglio*" is an exposure to a customer in temporary condition of objective financial distress which is expected to be superseded within a reasonable period of time. This class includes exposures in respect of which either (a) or (b) below apply:

(a) for any receivable with an original term of less than or equal to 36 (thirty-six) months, at least:

- 5 monthly rents overdue, or
- 3 quarterly rents overdue, or
- 2 semi-annual rents overdue, or
- 1 annual rent overdue for more than 6 (six) months has become due and payable, and has not been duly paid (even if only in part); and
- exposures that are past due for more than 270 (two hundred and seventy) days on a continuous basis.

(b) defaulted receivables, except for any receivables with defaulted interest payments, which are at least equal to 10% of the total exposure.

Classification of a Leasing as "*incaglio*", prior to the expiration of the terms, is responsibility of the Legal and Corporate Affairs Department which is authorised for amounts up to Euro2 million (for

higher amounts it is requested the authorisation of other senior departments, as showed below) These amounts are referred to the "gross risk" (sum of unpaid amount, interest on arrears and residual debt):

Department & Powers	**Amount**
Board of Directors	Over Euro 5,000,000
Credit Committee	Up to Euro 5,000,000
CEO	Up to Euro 4,000,000
Head Legal and Corporate Affairs	Up to Euro 2,000,000
Head of "*Crediti Problematici*"	Up to Euro 1,000,000
Head Legal and Litigation Department	Up to Euro 300,000

A "*sofferenza*" is a cash exposure to a customer found to be in a state of insolvency (even if this has not yet been established by courts) or in any substantially equivalent status. This class includes:

- defaults which have resulted in bankruptcy proceedings;
- defaults for which Alba Leasing filed a bankruptcy petition;
- defaults in respect of which any legal action for repossession of the leased equipment has been completed, and the counterparty has been found to be still defaulting or unlikely to be traced;
- other non-payment positions which, though not falling within any of the cases mentioned above, qualify as bad debts (so-called "subjective defaults").

Classification of a Loan as "*sofferenze*" prior to the expiration of the terms is the responsibility of the Legal and Corporate Affairs Department which has authority for credit up to Euro2 million (for higher amounts it is requested the authorization of other senior department, as showed below). These amounts are referred to the "gross risk" (sum of unpaid amount, interest on arrears and residual debt):

Department & Powers	**Amount**
Board of Directors	Over Euro 5,000,000
Credit Committee	Up to Euro 5,000,000
CEO	Up to Euro 4,000,000
Head Legal and Corporate Affairs	Up to Euro 2,000,000
Head of "Crediti Problematici"	Up to Euro 1,000,000
Head Legal and Litigation Department	Up to Euro 250,000

The Credit Risk Department produces a set of management reports on customers who have been included in the bad-loan list during the relevant period, and reports of the customers no longer in default. These reports are verified and any further action or adjustment is performed by the Litigation Department of Alba Leasing.

Information about customers that have been classified as bad debtors by the Bank of Italy is received monthly from the Bank of Italy's Interbank Risk Service, and Alba Leasing routinely cross-refers its internal list of bad leases with the information received from the Bank of Italy. The system of Alba Leasing automatically produces three reports: (1) a report that indicates which customers are classified by Alba Leasing as bad-loan originators but not by the Bank of Italy; (2) a report that indicates which customers are classified by the Bank of Italy as bad-loan originators but not by Alba Leasing; and (3) a report that indicates which customers' guarantors are classified by the Bank of Italy as bad-loan originators.

Each proposed move to the list of bad loans is assessed by the Managers of the Credit Recovery and Litigation Department and reported by the Department's staff on specific data-sheets in the bad-debts' book which is submitted to the Executive Committee of Alba Leasing for approval.

Credit Recovery process

Credit Recovery: there are two different credit recovery processes based on the amount of the payment due:

- "***Grandi Rischi***" (over Euro 250,000): the recovery actions are customised (direct contact with the client, without the appointment of phone collection companies) in order to produce a more effective result, based on team working involving (i) *Ufficio Recupero Crediti* (Credit Recovery Department) (ii) Alba Leasing Client Manger and (iii) the relevant bank's Client Manager. If the client does not agree with the proposed solutions (i.e. payment and re-schedule of payments), Alba Leasing sends a pre-resolution letter. The file is then sent to *Ufficio Contenzioso* (Litigation Department).
- "***Rischi Standard***" (up to Euro 250,000): the recovery actions in relation to this category are based on (i) a first internal dunning activity (carried out by Alba or by the relevant banks if the contract has been originated through this channel), followed by (ii) activities carried out by external credit recovery companies (call centers) and, finally (iii) surveys provided by external assessment of credit risk companies for out-of-court recovery.

The procedure monitors all the possible results coming from the recovery activity, i.e. (i) regularization, (ii) payment delays, (iii) advanced cancellation of the contract, (iv) return of the asset and (v) bilateral agreement asset sale. If the client does not agree with the proposed solutions, the file is then sent to *Ufficio Contenzioso* (Litigation Department).

Bankruptcy Procedures: activities carried out in relation to delinquent and defaulted contracts, for which Alba Leasing has opted to proceed with extra-judicial or judicial activities (including Litigation procedures).

Litigation activities aimed at:

- For Leasing: recovering the property (*Decreto Ingiuntivo e Precetto di Restituzione*) and obtaining the payment of the outstanding amount (*Decreto Ingiuntivo e Precetto di Pagamento*);
- Mortgages: recovering the property;
- Unsecured Loans: obtaining the payment of the outstanding amount (*Decreto Ingiuntivo e Precetto di Pagamento*);

If the outstanding debt is lower than Euro2,500, such unpaid amount is directly written off.

Ufficio Recupero Crediti (Credit Recovery Department) is in charge of the:

- Recovery phase in relation to unpaid receivables;

- Detection of the failure to pay and distinction between alleged and actual failure;
- Management of files in the pre-litigation phase, with the aim at recovering the unpaid amounts (directly or through external advisors);
- Management of the payments received by delinquent/defaulted clients;
- Proposal and evaluation of the expected loss in relation to the relevant clients;
- Preparation and updating of internal regulations and procedures (in relation to Credit Recovery matters).

Ufficio Contenzioso (Litigation Department) is in charge of the:

- Preparation and periodical updates of documentation;
- Providing legal/advisory support and supervising both the litigation procedures and the credit recovery process;
- Management of legal procedures;
- Management of relationships with Public Authorities (i.e. fiscal entity);
- Management of judicial and extra-judicial procedures;
- Preparation and update of internal regulations and procedures;
- Management of client's claims.

U.O. Re-marketing is responsible for the recovery, storage and re-location of assets subject to the lease agreements and in particular it is in charge of:

- Estimating costs of removal for financed assets;
- Performing site visits and inspections;
- Managing, following the resolution of the contract, the voluntary handover of assets and / or execute the overt act on the asset with the aid of the bailiff;
- Updating the evaluations on recovered assets;
- Selling of goods.

The recovery activities of the assets are conducted by a panel of outsourcers specialised by leasing product (Equipment and Real Estate).

The U.O. Re-marketing monitors and manages the entire recovery process, overviewing the outsourcers' activities.

REGULATORY CAPITAL REQUIREMENTS

In the Senior Notes Subscription Agreement and in the Intercreditor Agreement, the Originator has undertaken to the Issuer and to the Representative of the Noteholders that it will:

(a) retain at the origination and maintain (on an on-going basis) a material net economic interest of at least 5% in the Transaction (calculated with respect to the Receivables comprised in the Portfolio) in accordance with option (1)(d) of Article 405 of the CRR and option (1)(d) of Article 51 of the AIFM Regulation (or any permitted alternative method thereafter). As at the Issue Date, such interest will be comprised of an interest in the first loss tranche (being the Junior Notes);

(b) disclose that it continues to fulfil the obligation to maintain the material net economic interest in the Transaction in accordance with the option (1)(d) of Article 405 of the CRR and option (1)(d) of Article 51 of the AIFM Regulation and give relevant information to the Noteholders and prospective investors in this respect on a quarterly basis through the Investors' Report;

(c) ensure that Noteholders and prospective investors have readily available access to all information as it would be necessary to conduct comprehensive and well informed stress tests and to fulfil their monitoring and due diligence under Articles 405 and following of the CRR, which does not form part of this Prospectus as at the Issue Date but may be of assistance to certain categories of prospective investors before investing; and

(d) notify to the Noteholders any change to the manner in which the material net economic interest set out above is held.

In light of the above, the Originator has undertaken that:

(a) it will provide adequate disclosure to the Noteholders in accordance with Article 405 of the CRR and Article 51 of the AIFM Regulation;

(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 Articles 405 and following of the CRR and, to this purpose, any of such information:

  (i) on the Issue Date, will be disclosed in the section "The Portfolio" of this Prospectus;

  (ii) following the Issue Date, will be disclosed on a periodical basis, in the Quarterly Settlement Report, 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 in accordance with Article 405 of the CRR and Article 51 of the AIFM Regulation;

(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 www.zenithservice.it. The Investor Report will include also information on the material net economic interest (of at least 5%) in the Transaction maintained by the Originator;

(d) the retention requirement is not to be subject to any credit risk mitigations or any short positions or any other hedge, as and to extent required by Article 405 of the CRR and Article 51 of the AIFM Regulation;

(e) any further information which from time to time may be deemed necessary under Articles 405 and following of the CRR in accordance with the market practice and not covered under points above, will be provided, upon request, by the Originator.

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

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

THE ISSUER

Introduction

The Issuer was incorporated in the Republic of Italy as a special purpose vehicle pursuant to article 3 of the Securitisation Law, as a limited liability company (*società a responsabilità limitata*) on 23 October 2014 under the name of "Sunny 1 SPV S.r.l.". The Issuer is registered in the Register of Enterprises of Milan with No. 08814370964 and has its registered office at Via Gustavo Fara, 26, Milan, Italy (telephone No +39 02 7788 051). The Issuer is registered in the register of the securitisation companies (*elenco società di cartolarizzazione*) held by the Bank of Italy pursuant regulation issued by the Bank of Italy on 1 October 2014, under No. 35160.1.

As at the date of this Prospectus the Issuer has not commenced any operation, other than: (i) the purchase of the Portfolio; (ii) the authorisation and the execution of the Transaction Documents to which it is a party; (iii) the activities incidental to any registration under the laws of the Republic of Italy; (iv) the activities referred to or contemplated in this Prospectus and in the Transaction Documents; and (v) the authorisation by it of the Notes.

The Issuer has no employees. The authorised and issued capital of the Issuer is Euro 10,000 fully paid up as of the date of this Prospectus, fully owned by Stichting SFM Italy No. 1.

To the best of its knowledge, the Issuer is not aware of any direct or indirect ownership or control apart from its Quotaholder. The duration of the Issuer is until 2100.

Principal Activities

The scope of the Issuer, as set out in article 2 (*Oggetto*) of its By-laws (*Statuto*), is exclusively to carry out one or more securitisation transactions finance through the issuance of asset backed securities pursuant to the Securitisation Law and to be carried out through (i) the purchase of monetary claims, both present and future, identifiable in block if referred to multiple claims; (ii) the granting of loans to entities different from individuals (*persone fisiche*) and micro-enterprises (*micro-imprese*); or (iii) the advance of a loan to the entity acting as originator pursuant to Article 7 of the Securitisation Law, in each case in accordance with the provisions of the Securitisation Law.

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 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 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 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*).

Directors

The Issuer is currently managed by a Sole Director pursuant to article 6.1 of the Article of Association (*Atto Costitutivo*), Mrs Francesca Romana Amato. The Sole Director is domiciled for this purpose at the registered office of the Issuer at Via Gustavo Fara, 26, Milan, Italy.

The Sole Director has been appointed in the Article of Association and will remain in office until resignation or revocation. Mrs Francesca Romana Amato is also director of several other limited liability companies incorporated pursuant to the Securitisation Law.

No statutory auditors (*sindaci*) have been appointed.

External Auditors

At the date of this Prospectus, no external auditors have been appointed by the Issuer. However, independent auditors will be appointed by the Issuer upon the issuance of the Notes in accordance with applicable law and regulation. Notice of such appointment will be given to the Noteholders in accordance with Condition 16 (*Notices*).

Capitalisation and indebtedness statement

The capitalisation of the Issuer as at the date of this Prospectus, adjusted for the issue of the Notes being issued on the Issue Date, is as follows:

Quota Capital

Issued, authorised and fully paid up capital Euro 10,000

Loan capital

Class A Asset Backed Floating Rate Notes due December 2040	*Euro 450,000,000*
Class B Asset Backed Floating Rate Notes due December 2040	*Euro 281,331,000*
Total Indebtedness	**Euro 731,341,000**

Following the issue of the Notes and save for the foregoing and for what has been provided in this Prospectus, the Issuer shall have no borrowings or indebtedness in the nature 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

The Issuer's accounting reference date is 31 December of each year. The Issuer was incorporated on 23 October 2014, with the first financial year ending on 31 December 2015 in accordance with Article 8 of the Article of Association. The first audited financial statements of the Issuer shall be as at and for the year ended December 2015. Under Italian law and the Issuer's by-laws, the statutory accounts are to be prepared by the Issuer within four months following the financial year-end.

So long as any of the Senior Notes would be listed on the Stock Exchange and outstanding, copies of the Issuer's annual financial statements shall, upon publication, be made available for inspection by the Noteholders during normal business hours at the office for the time being of the Listing Agent.

THE ACCOUNT BANK , THE PAYING AGENT AND THE LISTING AGENT

The information contained herein relates to and has been obtained from BNP Paribas Securities Services. Such information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from information published by BNP Paribas Securities Services, 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 BNP Paribas Securities Services since the date hereof, or that the information contained or referred to herein is correct as of any time subsequent to such date.

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

BNP Paribas Securities Services has a local presence in 34 countries across five continents, effecting global coverage of more than 100 markets. At 31 December 2013 BNP Paribas Securities Services has USD 8,055 billion of assets under custody, USD 1,442 billion assets under administration, 7,067 administered funds and 8,225 employees.

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

THE REPRESENTATIVE OF THE NOTEHOLDERS, THE COMPUTATION AGENT AND THE CORPORATE SERVICER PROVIDER

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

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

Zenith Service S.p.A. in the context of the Securitisation acts, as corporate servicer provider, computation agent, and representative of the noteholders.

USE OF PROCEEDS

The proceeds from the issue of the Notes, being equal to Euro 731.331.000 will be applied by the Issuer on the Issue Date to pay to the Originator the Initial Purchase Price of the Portfolio and to credit the Retention Amount into the Expenses Account. Any remaining amount shall be credited on the Payments Account.

DESCRIPTION OF TRANSACTION DOCUMENTS

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

TRANSFER AGREEMENT

On 5 December 2014, the Originator and the Issuer entered into the Transfer Agreement (as amended on or about the Issue Date) pursuant to which the Originator assigned and transferred without recourse (*pro soluto*) to the Issuer, and the Issuer acquired from the Originator, in accordance with the Securitisation Law, all of their rights, title and interest in and to the Receivables.

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

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

The Receivable include as the Valuation Date, without limitation the following:

(i) the Instalments and the relevant Adjustments (if any);

(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.

The Originator has also transferred to the Issuer, together with the Receivables:

(a) the Indemnities;

(b) the credit claims deriving from the first demand Guarantees securing the relevant Receivables;

(c) claims relating to the purchase price due to the Originator for the sale of the relevant Asset;

(d) claims deriving from the relevant new financial lease contract in case such Asset is leased by the Originator to a new lessee.

Purchase Price

The Purchase Price of each Receivable is the aggregate of (i) the Initial Purchase Price and (ii) the Deferred Purchase Price.

The Initial Purchase Price of the Receivables is equal to Euro 731,305,804.17.

The Initial Purchase Price of the Portfolio will be paid by the Issuer to the Originator on the Issue Date. No interest will accrue on the Initial Purchase Price during the period between the Transfer

Date and the Issue Date. The Deferred Purchase Price (if any) will be paid by the Issuer to the Originator on each Payment Date in accordance with the applicable Priority of Payments.

Adjustment of the Purchase Price

The Transfer Agreement provides that if after the Transfer Date:

(i) any of the receivables included in the 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; or

(ii) there are Receivables which meet the Criteria on the Valuation Date but is not included in the List of Receivables, then such Receivables shall nonetheless be deemed to have been assigned and transferred to the Issuer by the Originator, with effect retroactively as of the Valuation Date.

In each such case, the Purchase Price of the Receivables shall be then adjusted in accordance with the provisions of the Transfer Agreement.

Undertakings of the Originator

The Transfer Agreement contains certain undertakings by the Originator in respect of the Receivables. The Originator has 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 Companies Register of Milan. The Originator has 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.

Option to repurchase the Portfolio in favour of the Originator

Under the Transfer Agreement, the Issuer has irrevocably granted to the Originator an option, pursuant to Article 1331 of the Italian Civil Code, to repurchase (in whole but not in part) the Portfolio in the circumstances under which the Issuer may exercise the optional redemption under Condition 8.3 (*Optional Redemption*), on the same terms and conditions as provided for under the Intercreditor Agreement. For further details see the section entitled "*Description of the Intercreditor Agreement*"

Pre-Emption Right to purchase the Portfolio

Under the Transfer Agreement, the Issuer has irrevocably granted to the Originator the Pre-Emption Right to purchase the Portfolio then outstanding or single Receivables in the event that the Issuer intends to dispose of the Portfolio or single Receivables in accordance with the Transaction Documents.

In order to allow the Originator to exercise the Pre-Emption Right, the Issuer, with copy to the Representative of the Noteholders, shall promptly inform the Originator by delivering a written notice stating its intention to dispose of the Portfolio or single Receivables and setting out the financial terms and conditions of such offer.

The Originator shall have the right to exercise its Pre-Emption Right and to repurchase the Portfolio or single Receivables at the same terms and conditions set out in the relevant offer, by delivering to Issuer and the Representative of the Noteholders a written confirmation notice *provided that* the Originator have obtained all the necessary approvals and authorisations and have produced appropriate solvency certificates.

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).

THE WARRANTY AND INDEMNITY AGREEMENT

Pursuant to the Warranty and Indemnity Agreement entered into on 5 December 2014 between the Issuer and the Originator, the Originator (a) has given certain representations and warranties in favour of the Issuer in relation to, *inter alia*, the Receivables, the Lease Contracts, the Guarantees and Assets; 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 Portfolio.

Representations and Warranties

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

a) the Receivables are existing and constitute legal, valid and binding obligations of the Lessees and any Guarantors thereto for the amounts indicated in the List of Receivables as of the Valuation Date;

b) each Receivable is fully and unconditionally owned by and available to the Originator and it is not subject to any lien (*pignoramento*), seizure (*sequestro*) or other encumbrance (*gravami)* or charges (*vincoli*) in favour of third parties;

c) the Originator has the exclusive and free legal ownership of all the Receivables and of all Assets and it has not assigned (whether in full or by way of security), shared its ownership, mortgaged, charged, transferred or otherwise transferred one or more of the Receivables and/or Assets, nor has it created or allowed others to create or constitute any lien, pledge, mortgage, charge or other right, claim or security on one or more of the Receivables and/or Assets, in favour of any third party nor has the Originator waived any of the rights to which it is entitled in respect of the Receivables.

d) the transfer of the Receivables pursuant to the Transfer Agreement to the Issuer does not have a negative effect to the payment obligations of the relevant Lessees and Guarantors in respect of the Receivables;

e) at the Valuation Date none of the Receivables is related to Defaulted Lease Contracts or Delinquent Lease Contracts;

f) to the best of the Originator's knowledge, having carried out the necessary examinations (including with its assignors (*dante causa*)), as of the execution date of each relevant Lease Contract the Debtor was not negatively classified (i.e. as "*incaglio*" (doubtful) or "*sofferenza*" (non-performing)) in the Central Credit Register ("*Centrale dei Rischi*");

g) the Transfer of the Receivables complies with the Securitisation Law and the Receivables comprised in the Portfolio constitute a plurality of homogenous monetary receivables identifiable as "a block" pursuant to Articles 1 and 4 of the Securitisation Law;

h) the List of Receivables attached to the Transfer Agreement is an accurate and complete list of all and only the Receivables comprised in the Portfolio and all information contained in the 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;

i) in the Lease Contracts and the Leasing Conventions do not contain clauses or provisions pursuant to which the Originator would be prevented, even partially, from transferring, assigning or otherwise disposing of the Receivables (and their related Losses Indemnities);

j) all the information and data supplied by the Originator to 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, *inter alia*, the Originator, the Lease Contracts, the rentals, the Receivables, the Lessees, the Guarantors, the Assets as well as the Criteria, are true, correct and complete in all respects;

k) the Lease Contracts, which were originally entered into by Banca Italease S.p.A. (or companies belonging to the Banca Italease Group) or Mediocreval S.p.A., and relevant Receivables, Assets and Guarantees have been validly and effectively transferred to the Originator pursuant to deeds of contribution of going concern (*atti di conferimento di ramo d'azienda*) entered into, pursuant to Article 58 of the Consolidated Banking Act, with Banca Italease S.p.A. on 24 December 2009 and Credito Valtellinese S.C.p.A. on 30 July 2014 and 30 September 2014;

l) to the best of the Originator's knowledge having carried out the necessary examinations, each Lease Contract (including the Guarantees and the Convention Leases) is valid and effective, and there is no ground for the declaration of invalidity or ineffectiveness of the same or of one or several of its provisions, and constitute legal, valid and binding obligations legally enforceable, pursuant to the relevant terms and conditions, against the parties thereto (including any Guarantors);

m) to the best of the Originator's knowledge, having carried out the necessary examinations (including with its assignors (*dante causa*)), each Lease Contract has been signed and executed in compliance with all applicable laws, rules and regulations, including, but not limited to, laws, rules and regulations governing leasing activities, the Usury Law, the Privacy Law and the provisions of Article 1283 of the Italian Civil Code, each as subsequently amended and supplemented from time to time;

n) all Lease Contracts have been executed in compliance with the contractual standards for financial lease contracts applicable from time to time by Banca Italease S.p.A. (or by companies belonging to the Banca Italease Group) or Mediocreval S.p.A. respectively, and such contractual standards have not been amended so as to prejudice, even if only potentially, the rights and claims of the Originator;

o) to the best of the Originator's knowledge, having carried out the necessary examinations (including with its assignors (*dante causa*)), all Lease Contracts have been signed and executed without any fraud (*frode*) or wilful misconduct (*dolo*) by or on behalf of the relevant lessor or any of its directors (*amministratori*), managers (*dirigenti*), officers (*funzionari*) and/or employees (*impiegati*);

p) each Lease Contract provides the obligation for each relevant Lessee to make the scheduled payments in the amount and on the due dates set out therein in any event, also where 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;

q) the Originator has kept and keeps the books, registers, information and documents relating to each Lease Contract, Receivable, Lessee and Asset, in a correct, complete and diligent manner;

r) there are no disputes, civil or administrative judicial proceedings, arbitration proceedings or legal actions pending or threatened in writing in relation to the Lease Contracts, the Assets

and the Receivables that could affect, impair or compromise in any manner the exercise of the rights regarding the Receivables;

s) to the best of the Originator's knowledge, having carried out the necessary examinations (including with its assignors (*dante causa*)), the Lessees have entered into the Lease Contracts in the course of their business activity;

t) 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;

u) none of the Lease Contracts expressly provides the right of a Lessee to obtain the early termination of the relevant Lease Contract;

v) the financing granted to the relevant Lessees pursuant to the Lease Contracts are not structured, syndicated or leveraged loans.

w) each Guarantee has been duly granted, created, registered, renewed (if necessary) and preserved by the Originator (and its assignors (*dante causa*)) and is therefore valid, effective and enforceable against third parties. Each Guarantee meets all requirements set forth under applicable laws and regulations and it is not affected by any defect. Each Guarantee has been created simultaneously (substantially) with the execution of the relevant Lease Contract;

x) the Originator (and to the best of the Originator's knowledge, its assignors (*dante causa*)) has not discharged or released any Lessees, Guarantors or other Debtors from their 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 the relevant lessor in relation to a Receivable 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 the Originator (or its assignors (*dante causa*));

y) all insurance premia due in relation to the Insurance Policies have been paid in time and in full and the obligations to report claims have been correctly and timely fulfilled.

z) to the best of the Originator's knowledge, having carried out the necessary examinations (including with its assignors (*dante causa*)) 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, without involvement of the lender;

aa) to the best of the Originator's knowledge having carried out the necessary examinations (including with its assignors (*dante causa*)), the real estate Assets comply with the applicable planning and building legislation and all historical, cultural and architectural restrictions applicable to them and are not subject to defects that would affect its marketability.

bb) 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 Property and Land Registry (*Ufficio del Catasto Urbano e dei Terreni*) and the Real Estate Registry's Office (*Conservatoria dei Registri Immobiliari*) or, otherwise, an application for such registration has been duly filed;

cc) to the best of the Originator's knowledge, having carried out the necessary examinations (including with its assignors (*dante causa*)), at the date of execution of the related Lease Contract, the real estate Assets complied with all applicable laws and regulations concerning health, safety and environmental protection (*leggi e regolamenti in materia di igiene, di sicurezza e di tutela ambientale*) and there are no dangerous or polluting materials;

dd) none of the Lease Contracts provides the right of the Lessee to purchase the relevant Asset before the expiration of the term of the financial lease contractually agreed.

Each of the representations and warranties of Alba Leasing under the Warranty and Indemnity Agreement has been made as of the Transfer Date (save as specified as of the Valuation 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, or to comply with any laws or regulations applicable to such agreement;

(b) any representations and warranties made by the Originator under the Warranty and Indemnity Agreement and the Transfer 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 60 (sixty) 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 (twenty) calendar days after receipt of the Issuer's request.

Call Option

As an alternative to the payment of the indemnity as described in paragraph above, 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 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 (twenty-two) 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 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 first Payment Date on which the Senior Notes have been redeemed 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).

SERVICING AGREEMENT

Pursuant to the Servicing Agreement entered into on 5 December 2014 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.

Alba Leasing will 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.

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, (a) all the Collections made during the period between the 1st and the 14th day of each month, no later than 17:00 (Milan time) on the 15th day of each month or, if such day is not a Local Business Day, the immediately following Local Business Day; and (b) all the Collections made during the period between the 15th and the last day of each month, no later than 17:00 (Milan time) on the 1th Local Business Day of each month, in immediately available funds. In the event that the Collections made during each of the above mentioned period exceed the maximum amount of Euro 4,000,000 (four million), the Servicer has undertaken to transfer or credit (or procure to be transferred or credited) such amounts into the Collection Account no later than 17:00 (Milan time) on the Local Business Day following the Local Business Day in which such threshold was exceeded.

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 Account Bank. The Servicer has undertaken to procure that (i) all the sums due in respect of the Receivables 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.

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 - in order to allow Alba Leasing to maintain good relationships with their customers - 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, subject to certain conditions. In particular: (i) the aggregate Outstanding Amount of the renegotiated Lease Contracts (calculated on the basis of the amount outstanding prior to the relevant renegotiation) shall not exceed 25% of the Initial Purchase Price (*provided that* the above limitation shall not apply to any renegotiation carried out pursuant to *moratorium* (*moratorie*) provided for by law or by agreements executed by trade associations (*associazioni di categoria*); and (ii) the Servicer shall not in any event make any renegotiation as a result of which the payment of one or more Instalment due under the Lease Contracts shall be made after the Final Maturity Date.

In the event of renegotiations of the interest rate applicable to the relevant Lease Contract (and excluding the renegotiations due to mandatory provisions of law), Alba Leasing shall pay the Issuer, within the last Local Business Day of the calendar month in which the relevant renegotiation has been carried out, an amount equal to the difference between the Outstanding Amount of the relevant Lease Contract prior to such renegotiation and the Outstanding Amount of the relevant Lease Contract immediately after such renegotiation.

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 single Receivables from the Issuer at a repurchase price equal to the Outstanding Amount of the relevant Receivables.

Any amount paid by Alba Leasing to the Issuer with respect to the power to make renegotiations of the Lease Contracts and/or to repurchase single Receivables shall form part of the Issuer Available Funds and shall be applied by the Issuer on each following Payment Date in accordance with the applicable Priority of Payments.

Reports of the Servicer

The Servicer has undertaken to prepare and deliver to the Issuer, the Account Bank, the Computation Agent, the Corporate Servicer, the Back-Up Servicer (if any) and the Representative of the Noteholders, on each Quarterly Settlement Report Date, the Quarterly Settlement Report

(substantially in the form of schedule 3 (*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 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 (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) an order is issued by any competent judicial authority providing for a *liquidazione coatta amministrativa* of the Servicer or in the event that the Servicer is admitted to any other insolvency proceeding or special administration (*amministrazione straordinaria*) or a resolution is passed by the Servicer for the purpose of its dissolution or its admission to any such insolvency proceedings;

(b) the Servicer restructures its obligations or postpone the respective fulfillments, enters into extrajudicial agreements with its creditors, ask for the suspension of the payments or of its obligations or the enforcement of the guarantees given to secure such obligations;

(c) the Servicer fails to deposit or pay any amount due under the Servicing Agreement within 10 (ten) days from the day on which such amount is due, unless such failure is due to strikes, technical delays or other justified reason;

(d) an order of the competent authority is made or is passed of the competent body of the Servicer for the winding-up or dissolution;

(e) 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;

(f) 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 30 (thirty) Local Business Days from the date on which such representation or warranty is contested;

(g) it becomes unlawful for the Servicer to perform or comply with any of its obligations under the Servicing Agreement or the other Transaction Documents to which it is a party; and

(h) the Servicer will be unable to meet the current or future legal requirements or the Bank of Italy's regulations for entities acting as servicers in the context of a securitisation transaction, or any other legal requirement under the Bank of Italy's regulation or any other competent governmental authorities, administrative or regulatory authorities.

Appointment of the Back-Up Servicer

Upon the occurrence of a Cash Reserve Trigger Event or upon reasonable request of the Senior Noteholders, the Issuer shall appoint a back-up servicer who shall undertake to perform the Servicer's obligations under the Servicing Agreement in the event of termination of the Servicer's appointment.

For the purposes of ascertain the occurrence of a Cash Reserve Trigger Event, the Servicer has undertaken to notify the Issuer, the Representative of the Noteholders and the Senior Noteholders of the updated Tier 1 capital (*coefficente di patrimonializzazione Tier 1*) of Alba Leasing (i) within 30 (thirty) days from the date of approval of its annual financial statement and quarterly financial report; and (ii) promptly in any other event in which the above notification is mandatory under the Italian law, and to include any such information in the Quarterly Servicer Report.

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).

CASH ALLOCATION MANAGEMENT AND PAYMENT AGREEMENT

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

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, the Cash Reserve Account, the Investment Account and the Expenses 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 Account 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 (one) Business Day prior to each Quarterly Settlement Report Date, a copy of the statement of each of the Eligible Accounts and Expenses Account 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 Accounts during such period.

Furthermore, the Account 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 Account Bank Report Date, the Account Bank Investment 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 (or that will derive) from the disposal and liquidation of such Eligible Investments.

The Account Bank will be required at all times to be an Eligible Institution. If the Account Bank ceases 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 communicate it to the Issuer and the Representative of the Noteholders, and the Issuer within 30 (thirty) Business Days from the relevant downgrading event, shall appoint a new bank being an Eligible Institution approved by the Representative of the Noteholders, which shall assume the role of the replaced Agent upon the same terms of this Agreement and the other Transaction Documents and which shall become party to the Intercreditor Agreement and to which the relevant Agent who ceased to be an Eligible Institution shall transfer any funds or securities deposited on the Eligible Accounts held by such Agent to the new accounts opened by the Issuer.

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 will be invested and shall instruct the Account 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, 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 to the Issuer, the Representative of the Noteholders, the Servicer, the Paying Agent, the Account Bank, the Cash Manager, the Corporate Servicer and the Originator 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; and (ii) the number of days of the relevant Interest Period) 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 Computation Agent, the Cash Manager,

the Corporate Servicer 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.

Payments to Noteholders

Under the Cash Allocation Management and Payment Agreement, the Issuer has directed 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 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) *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 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, 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 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, *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;

(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; and

(c) the funds or securities (as the case may be) standing to the credit of the relevant Accounts shall be transferred to the other new accounts opened by the Issuer with the successor Agent.

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).

INTERCREDITOR AGREEMENT

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 Portfolio and the Transaction Documents. The Back-Up Servicer, if and when appointed, will be required to accede to the Intercreditor Agreement.

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 the obligation of payment of the Initial Purchase Price of the 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.

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 Intercreditor Agreement, in relation to the management and administration of the Portfolio.

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 and also in its own interest and in the interest of the Other Issuer Creditors, all the Issuer's rights arising out of the Transaction Documents to which the Issuer is a party.

Disposal of the Portfolio upon Trigger Event

Following the delivery of a Trigger Notice and in accordance with the Conditions, the Issuer shall (if so requested by the Representative of the Noteholders), dispose of the 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 Portfolio is adequate (based upon such bank's or financial institution's evaluation of the 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 and has produced appropriate solvency certificates.

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 Portfolio in accordance with the provisions of the Transfer Agreement and the Intercreditor Agreement.

Disposal of the Portfolio following the occurrence of a Tax Event

Following the occurrence of a Tax Event and in accordance with the 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 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 Class 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 Class to be redeemed;

(b) the relevant purchaser has obtained all the necessary approvals and authorisations and has produced appropriate solvency certificates.

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 Portfolio in accordance with the provisions of the Transfer Agreement and the Intercreditor Agreement.

Option to repurchase the Portfolio in favour of the Originator

Under the Intercreditor Agreement, the Issuer has irrevocably granted to Alba Leasing an option, pursuant to Article 1331 of the Italian Civil Code, to repurchase (in whole but not in part) the Portfolio in the circumstances under which the Issuer may exercise the optional redemption under Condition 8.3 (*Optional Redemption*). In order to exercise such option Alba Leasing shall:

(a) send a written notice to the Issuer at least 45 (forty-five) calendar 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 and delivered appropriate solvency certificates.

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 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 (*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).

SUBORDINATED LOAN AGREEMENT

On or about the Issue Date, the Issuer, the Representative of the Noteholders and the Subordinated Loan Provider entered into the Subordinated Loan Agreement, pursuant to which the Subordinated Loan Provider has undertaken to provide the Issuer, upon the occurrence of a Cash Reserve Trigger Event, with an interest bearing Subordinated Loan in an amount equal to the Cash Reserve Amount.

For the purposes of ascertaining the occurrence of a Cash Reserve Trigger Event, the Subordinated Loan Provider has undertaken to notify the Issuer, the Representative of the Noteholders and the Senior Noteholders of the updated Tier 1 capital (*coefficente di patrimonializzazione Tier 1*) of Alba Leasing (i) within 30 (thirty) days from the date of approval of its annual financial statement and unaudited quarterly financial report; and (ii) promptly in any other event in which the above notification is mandatory under the Italian law, and to include any such information in the Quarterly Servicer Report.

The Subordinated Loan Provider shall disburse the Subordinated Loan by crediting it on the Cash Reserve Account, in accordance with the timing agreed under the Subordinated Loan Agreement, *provided however that* if a Cash Reserve Trigger Event occurs and the Subordinated Loan Provider defaults in the performance of its obligation to fund the Cash Reserve Amount and/or to its reporting obligation pursuant to the Subordinated Loan Agreement, such default shall be a Trigger Event in accordance to the Conditions and the Intercreditor Agreement, unless it has been remedied within 5 (five) calendar days after the Representative of the Noteholders has served a notice requiring remedy.

Interest and reimbursement

Interest in respect of the Subordinated Loan shall accrue on a daily basis on the outstanding principal amount of such loan, from the date of its disbursement and until the earlier of: (i) the date on which the Subordinated Loan has been repaid in full; and (ii) the Final Maturity Date. The rate of interest on the Subordinated Loan for each Interest Period is the aggregate of: (i) Three Months Euribor (as defined and determined pursuant to Condition 7 (*Interest*)); and (ii) a margin of 2% per annum, multiplied by the actual number of days in each Interest Period and divided by 360 and rounding the resulting figure to the nearest cent, save for the first Interest Period, where interest will be calculated at an interpolated interest rate plus a margin of 2% per annum.

Interest and principal due and payable under the Subordinated Loan Agreement will be paid by the Issuer on each Payment Date out of the Issuer Available Funds in accordance with the applicable Priority of Payments.

Governing Law and Jurisdiction

The Subordinated Loan Agreement (and any non-contractual obligation arising out of or in connection with it) is governed by, and will be construed in accordance with, Italian law. The courts

of Milan shall have exclusive jurisdiction in relation to any disputes (also in relation to non-contractual obligations) arising from, or in connection with, the Subordinated Loan Agreement.

SUBSCRIPTION AGREEMENTS

On or about the Issue Date, the Issuer, the Arranger, the Representative of the Noteholders, the Originator and the Senior Notes Underwriter have entered into the Senior Subscription Agreement, pursuant to which the Senior Notes Underwriter has agreed to subscribe for the Senior Notes and pay to the Issuer the Issue Price for such Senior Notes on the Issue Date and has appointed the Representative of the Noteholders to act as the representative of the holders of such Senior Notes, subject to the conditions set out therein.

On or about the Issue Date, the Issuer, the Representative of the Noteholders, the Originator and the Junior Notes Underwriter have entered into the Junior Subscription Agreement, pursuant to which the Junior Notes Underwriter has agreed to subscribe for the Junior Notes and pay to the Issuer the Issue Price for such Junior Notes on the Issue Date and has appointed the Representative of the Noteholders to act as the representative of the holders of such Junior Notes, subject to the conditions set out therein.

Retention and capital requirements undertakings

Under the Junior Notes Subscription Agreement the Originator will subscribe the Class B Notes and in the Senior Notes Subscription Agreement it has undertaken, that it will retain at the origination and maintain on an ongoing basis a material net economic interest of at least 5% in the Securitisation in accordance with article 405(1)(d) of Regulation (EU) No. 575/2013 and option (1)(d) of article 51 of the Commission Delegated Regulation (EU) No. 231/2013 of 19 December 2012 (which, in each case, does not take into account any corresponding national measures).

Governing Law and Jurisdiction

The Subscription Agreements 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 and the Courts of Milan shall have exclusive jurisdiction in relation to any disputes arising in respect of the Subscription Agreements (including a dispute relating to the existence, validity or termination of the Subscription Agreements or any non-contractual obligation arising out of or in connection with it)

CORPORATE SERVICES AGREEMENT

On or about the Issue Date, the Issuer, the Corporate Servicer, the Servicer and the Representative of the Noteholders 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).

QUOTAHOLDER AGREEMENT

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

Pursuant to the Quotaholder Agreement, the 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 Quotaholder of the Issuer.

The 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.

In addition, pursuant to the Quotaholder Agreement, the Originator has undertaken to provide the Issuer with all necessary monies in order for the Issuer to pay certain losses, costs, expenses or liabilities indicated therein.

Governing Law and Jurisdiction

The 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).

MASTER DEFINITIONS AGREEMENT

On the date of this Prospectus, the Issuer and the other Transaction Parties entered into the Master Definitions Agreement pursuant to which the meanings of certain definitions used in the Transaction Documents have been agreed. The Back-Up Servicer, if and when appointed, will be required to accede to the Master Definitions Agreement.

Governing Law and Jurisdiction

The Master Definitions 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 Master Definitions Agreement (including a dispute relating to the existence, validity or termination of the Master Definitions Agreement or any non-contractual obligation arising out of or in connection with it).

THE ACCOUNTS

1) Accounts opened with the Account Bank

(i) **Collection Account *into which*** (i) all the Collections made and the Indemnities paid in respect of the Portfolio will be credited, in accordance with the Servicing Agreement; and ***out of which*** (i) on each Payment Date, any Excess Indemnity Amount received by the Issuer on the immediately preceding Quarterly Settlement Period shall be paid to the Originator in accordance with the relevant Settlement Report; and (ii) any amount standing to the credit of such account (other than any amount to be paid out of the Collection Account pursuant to item (i) above) will be transferred on a daily basis (to the extent that such day is a Business Day) into the Investment Account;

(ii) **Cash Reserve Account *into which*** (i) the Cash Reserve Amount will be deposited by the Subordinated Loan Provider upon the occurrence of a Cash Reserve Trigger Event in accordance with the provisions of the Subordinated Loan Agreement; and (ii) on each Payment Date following the deposit of the Cash Reserve Amount and until (but excluding) the Payment Date on which the Senior Notes are redeemed in full or otherwise cancelled, the Issuer Available Funds necessary in accordance with the Pre-Enforcement Priority of Payments to bring the balance of such account up to the Cash Reserve Amount (if any) shall be credited from the Payments Account; and ***out of which*** on the Business Day following each Payment Date, the amount standing to the credit of such account (if any), following payments pursuant to the applicable Priority of Payments having been made, will be transferred into the Investment Account;

(iii) **Payments Account**, ***into which*** (i) on the Issue Date the Issue Price shall be paid; (ii) the amount standing to the credit of the Investment Account 2 (two) Business Days prior to each Payment Date to be used, as Issuer Available Funds, on the immediately following Payment Date and in general any sums arising from the liquidation, disposal or maturity of the Eligible Investments (including any profit generated thereby or interest matured thereon) to be used, as Issuer Available Funds, on the immediately following Payment Date, shall be credited 2 (two) Business Days prior to each relevant Payment Date; (iii) any proceeds (if any) from the enforcement of the Issuer's Rights will be credited; and (iv) all amounts received from any party to a Transaction Document to which the Issuer is a party (other than amounts expressly provided to be paid on other Accounts) shall be credited; and ***out of which*** (i) on the Issue Date (a) the Retention Amount shall be paid to the Expenses Account by applying the amounts credited in the Payments Account as Issue Price and (b) the Initial Purchase Price of the Portfolio in accordance with the Transfer Agreement shall be paid to the Originator; (ii) on each Payment Date all payments shall be made in accordance with the Intercreditor Agreement, the applicable Priority of Payments and the relevant Payments Report; and (iii) any amount standing to the credit thereof will be transferred to the Investment Account one Business Day after each Payment Date.

(iv) **Investment Accounts** (being a cash investment account and a securities investment account") ***into which*** (i) any amount standing to the credit of the Collection Account will be transferred on a daily basis (to the extent that such day is a Business Day); (ii) any amount (if any) standing to the credit of the Cash Reserve Account on each Payment Date, following payments pursuant to the applicable Priority of Payments having been made, will be transferred on the following Business Day; (iii) any amounts standing to the credit of the Payments Account on the Business Day immediately following each Payment Date will be credited on such Business Day; (iv) any proceeds upon maturity or any sums deriving from the disposal of the Eligible Investments and any profit generated thereby or interest accrued thereon will be credited; (v) all Eligible Investments purchased by the Account Bank upon written instruction of the Cash Manager, pursuant to this Agreement, shall be deposited; and ***out of which*** (i) the Issuer Available Funds to be used on the immediately

following Payment Date will be transferred to the Payments Account 2 (two) Business Days before such Payment Date; (ii) upon written instruction of the Cash Manager in the name and on behalf of the Issuer in accordance with the Cash Allocation, Management and Payment Agreement, all amounts standing to the credit thereof will be applied on any Business Day by the Account Bank for the purchase of Eligible Investments; and

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

2) Account opened with Deutsche Bank S.p.A.

Quota Capital Account, to which the Issuer's contributed quota capital is deposited.

The Collection Account, the Payments Account, the Cash 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**".

EXPECTED AVERAGE LIFE OF THE SENIOR NOTES

The estimated weighted average life of the Senior Notes cannot be predicted, as the actual rate at which the Lease Contracts will be repaid and a number of other relevant factors are unknown.

Calculations as to the estimated weighted average life of the Senior Notes can be made based on certain assumptions. These estimates have certain inherent limitations. No representations can be made that such estimates are accurate, or that all assumptions relating to such estimates have been considered or stated or that such estimates will be realised.

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 and the amount of the Defaulted Receivables.

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 Portfolio and on the following additional assumptions (the "**Modelling Assumptions**"):

(i) no Trigger Event occurs in respect to the Notes; and
(ii) all Receivables are duly and timely paid and there are no Delinquent Instalments or Defaulted Receivables at any time;
(iii) repayment of principal under the Senior Notes occurs from the Payment Date falling in March 2015; and
(iv) the constant prepayment rate as per table below, has been applied to the Portfolio in homogeneous terms;
(v) no variation in the interest rates;
(vi) no purchase/sale/indemnity/renegotiations on the Portfolio is made according to the Transaction Documents;
(vii) the terms of the Receivables will not be affected by any legal provision authorizing the Lessees to suspend payment of interest and/or principal instalments;
(viii) no Cash Reserve Trigger Event occurs; and
(ix) no events under Condition 8.3 (*Optional Redemption*) and/or 8.4 (*Redemption for Taxation*) occur.

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 (CPR) (% per annum)	**Weighted average life Class A**
0.00%	2.6
3.00%	2.2
5.00%	2.0
Constant Prepayment Rate (CPR) (% per annum)	**Expected maturity Class A**
0.00%	22 September 2020
3.00%	22 December 2019
5.00%	22 June 2019

CONDITIONS OF THE NOTES

*The following is the entire text of the terms and conditions of the Notes (the "**Conditions**"). In these Conditions, references to the "*holder*" of a Class A Note and a Class B Note, or to the Class A Noteholders and the Class B Noteholders, are to the ultimate owners of Class A Notes and Class B Notes, as the case may be, 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 Legislative Decree No. 58 of 24 February 1998; and (ii) the regulation issued on 22 February 2008 by the Bank of Italy together with Commissione Nazionale per le Società e la Borsa ("**CONSOB**"), as subsequently amended and supplemented. The Noteholders are deemed to have notice of and are bound by, and shall have the benefit of, inter alia, the terms of the Rules of the Organisation of Noteholders (as defined below).*

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

The Euro 450,000,000 Class A Asset Backed Floating Rate Notes due December 2040 (the "**Senior Notes**") and the Euro 281,331,000 Class B Asset Backed Floating Rate Notes due December 2040 (the "**Junior Notes**" and, together with the Senior Notes, the "**Notes**") have been issued by Sunny 1 SPV S.r.l. (the "**Issuer**") on 22 December 2014 (the "**Issue Date**") to fund the purchase of a portfolio of monetary claims (the "**Portfolio**" and the "**Receivables**", respectively) arising under financial lease contracts entered into between Banca Italease S.p.A. (or by companies belonging to the Banca Italease Group) or Mediocreval S.p.A. (subsequently merged by incorporation in Credito Valtellinese S.C.p.A. by a deed of incorporation dated 15 July 2014) and the lessees thereunder (the "**Lessees**"), and subsequently transferred to Alba Leasing S.p.A. (the "**Originator**" or "**Alba Leasing**") pursuant to deeds of contribution of going concern (*atti di conferimento di ramo d'azienda*) entered into, pursuant to Article 58 of the Consolidated Banking Act, with Banca Italease S.p.A. on 24 December 2009 and Credito Valtellinese S.C.p.A. on 30 July 2014 and 30 September 2014. The Portfolio has been purchased by the Issuer under the terms of a transfer agreement between the Issuer and the Originator pursuant to the Securitisation Law executed on 5 December 2014, as amended on or about the Issue Date (the "**Transfer Agreement**"). The principal source of payment of interest and repayment of principal on the Notes will be collections and recoveries made from or in respect of the Portfolio.

Any reference in these Conditions to 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 Conditions shall, unless otherwise specified or unless the context otherwise requires, have the meanings set out in Condition 2 (*Interpretation and Definitions*).

1.2 Noteholders deemed to have notice of the Transaction Documents

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

1.3 Provisions of the Conditions subject to the Transaction Documents

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

1.4 Transaction Documents

Transfer Agreement

By the Transfer Agreement, the Originator has assigned and transferred to the Issuer all of their rights, title and interest in and to the Portfolio.

Warranty and Indemnity Agreement

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

Servicing Agreement

By the Servicing Agreement, the Servicer has agreed to administer, service, collect and recover amounts in respect of the 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.

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 Zenith Service S.p.A., which has accepted, as Representative of the Noteholders.

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 Zenith Service S.p.A., which has accepted, as Representative of the Noteholders.

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 Portfolio. The Back-Up Servicer, if and when appointed, will be required to accede to the Intercreditor Agreement.

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.

Subordinated Loan Agreement

By the Subordinated Loan Agreement, the Subordinated Loan Provider has undertaken to promptly provide the Issuer, upon the occurrence of a Cash Reserve Trigger Event, with an interest bearing Subordinated Loan in an amount equal to the Cash Reserve Amount.

Quotaholder Agreement

By the Quotaholder Agreement, the 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 Quotaholder of the Issuer. In addition, pursuant to the Quotaholder Agreement, the Originator has undertaken to provide the Issuer with all necessary monies in order for the Issuer to pay certain losses, costs, expenses or liabilities indicated therein.

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.

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.

Master Definitions Agreement

By the Master Definitions Agreement, the definitions of certain terms used in the Transaction Documents have been set forth. The Back-Up Servicer, if and when appointed, will be required to accede to the Master Definitions Agreement.

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 Gustavo Fara, 26 20121 Milan, 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 Conditions as Exhibit 1 and which are deemed to form part of these Conditions. The rights and powers of the Noteholders may only be exercised in accordance with the Rules of the Organisation of the Noteholders.

1.7 **Representative of the Noteholders**

Each 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 Conditions, unless otherwise specified or unless the context otherwise requires:

(a) the exhibit hereto constitutes an integral and essential part of these 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 Conditions.

2.2 **Definitions**

Unless otherwise defined in these Conditions, capitalised words and expressions have the following meanings.

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

"**Account Bank**" means BNP Paribas Securities Services, Milan 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.

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

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

"**Adjustment**" means, in relation to each Receivable arising from a Floating Rate Lease Contract, any additional amount (if any) to be paid by (or to) the Lessee as consequence of any change in the Index Rate applicable from time to time to the Lease Contracts according to the terms thereof.

"**Agents**" means the Paying Agent, the Computation Agent, the Account Bank, and the Cash Manager, and "**Agent**" 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, *provided that* (a) 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 and (b) the Prepayment Amount shall be equal at least to the Outstanding Amount as at the date of the early termination of the relevant Lease Contract.

"**Alba Leasing**" means Alba Leasing S.p.A.

"**Arranger**" means J.P. Morgan Securities plc.

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

"**Back-Up Servicer**" means the entity which may be appointed by the Issuer as back-up servicer upon the occurrence of a Cash Reserve Trigger Event or upon reasonable request of the Senior Noteholders, and its permitted successors or assigns from time to time or any other person for the time being acting as back-up servicer pursuant to the Back-Up Servicing Agreement.

"**Back-Up Servicing Agreement**" means the back-up servicing agreement which may be entered into, after the Issue Date, between the Issuer, the Servicer, the Back-Up Servicer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained including any agreement or other document expressed to be supplemental thereto or any agreement in replacement thereof.

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

"**BNP Paribas Securities Services**" means BNP Paribas Securities Services, Milan Branch.

"**Business Day**" means any day (other than Saturday or Sunday) on which banks are open for business in Milan, Dublin and London 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 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 the Issuer, the Originator, the Servicer, the Subordinated Loan Provider, the Corporate Servicer, the Representative of the Noteholders, the Paying Agent, the Account Bank, the Cash Manager and the Computation Agent, as from time to time modified in accordance with the provisions therein contained including any agreement or other document expressed to be supplemental thereto or any agreement in replacement thereof.

"**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 Reserve Account**" means the Euro denominated account which will be held with the Account Bank or any other Eligible Institution for the deposit of the Cash Reserve Amount (if any) in accordance with the Cash Allocation Management and Payment Agreement.

"**Cash Reserve Amount**" means, upon occurrence of a Cash Reserve Trigger Event, an amount equal to Euro 10,000,000.

"**Cash Reserve Trigger Event**" means (i) one or more Trigger Events; and/or (ii) the event occurring when the Tier 1 capital (*coefficente di patrimonializzazione Tier 1*) of Alba Leasing falls below 7%.

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

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

"**Collection Account**" means the Euro denominated account, opened in the name of the Issuer with the Account Bank or any other Eligible Institution for the deposit of all the Collections.

"**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 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 Portfolio.

"**Computation Agent**" means Zenith Service S.p.A. or any other entity acting as computation agent pursuant to the Cash Allocation Management and Payment Agreement from time to time, and any of its permitted successors or transferees.

"**Condition**" means a condition of this Conditions.

"**Conditions**" means this terms and conditions of the Notes.

"**Consolidated Banking Act**" means Legislative Decree No. 385 of 1 September 1993, as

subsequently amended and implemented from time to time.

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

"**Corporate Servicer**" means Zenith Service S.p.A. 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.

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

"**Criteria**" means the criteria for the identification of the Receivables specified in schedule 2 (*Criteri di selezione*) of the Transfer Agreement.

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

"**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.

"**Defaulted Instalment**" means any Instalment which remains due and unpaid for more than 180 (one hundred and eighty) 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; (iv) 2 in relation to Lease Contracts which provide for four-monthly payments and (v) 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.

"**Deferred Purchase Price**" means the deferred portion of the purchase price relating to each Receivable equal to the difference (if positive), calculated on each Payment Report Date with reference to the immediately following Payment Date, between (i) the Issuer Available Funds and (ii) the sum of the amounts required to be paid under the applicable Priority of Payments in priority to such deferred purchase price, or in case such term is referred to the Portfolio, the sum of the deferred purchase price of the Receivables comprised in the Portfolio.

"**Delinquent Instalment**" means any Instalment which remains due and unpaid for more than 30 (thirty) 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.

"**Eligible Account**" means each of the Collection Account, the Payments Account, the Cash 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 a long-term rating at least equal to "BBB+" by Standard & Poor's Rating Services, a part of McGraw Hill Financial or a rating equivalent by another recognised rating agency.

"**Eligible Investment**" means:

A. any euro denominated senior (unsubordinated) dematerialised debt securities or other debt instruments or time deposits *provided that* such investments (a) have a maturity not exceeding 3 months, (b) have a maturity not exceeding the next following Eligible Investments Maturity Date and (c) have a long-term rating at least equal to "BBB+" by Standard & Poor's Rating Services, a part of McGraw Hill Financial or a rating equivalent by another recognised rating agency; or

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

C. repurchase transactions between the Issuer and an Eligible Institution in respect of Euro denominated debt securities or other debt instruments *provided that* 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,

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

(a) in all cases, such investments provide a fixed principal amount at maturity (or upon disposal or liquidation, as the case may be) at least equal to the principal amount invested;

(b) in any event, none of the Eligible Investments set out above may consist, in whole or in part, actually or potentially, of (i) credit-linked notes or similar claims resulting from the transfer of credit risk by means of credit derivatives nor may any amount available to the Issuer in the context of the Securitisation otherwise be invested in any such instruments at any time, or (ii) asset-backed securities, irrespective of their subordination, status or ranking, or (iii) swaps, other derivatives instruments, or synthetic securities, or (iv) any other instrument from time to time specified in the European Central Bank monetary policy regulations applicable from time to time as being instruments in which funds underlying asset-backed securities eligible as collateral for monetary policy operations sponsored by the European Central Bank may not be invested; and

(c) the Eligible Investments under (A) above and any other Eligible Investments other than bank account, cash deposit or time deposit (but including without limitation, the securities underlying repurchase transactions) above are capable of being registered on the Investment Account.

"**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.

"**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.

"**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 17 (*Importo Recuperato in Eccesso*) 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 maintain the listing of the Senior Notes, to preserve the existence of the Issuer or to maintain it in good standing, or to comply with applicable legislation.

"**Expenses Account**" means the Euro denominated account opened in the name of the Issuer with the Account Bank or any other account that shall replace of such account in accordance with the Cash Allocation Management and Payment Agreement.

"**Final Maturity Date**" means the Payment Date falling in December 2040.

"**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 March 2015.

"**First Settlement Date**" means the Settlement Date falling in 28 February 2015.

"**Fixed Rate Lease Contracts**" means the Lease Contracts which provide for fixed interest rate on principal due and not paid pursuant to the relevant contract.

"**Floating Rate Lease Contracts**" means the Lease Contracts which provide for floating interest rate on principal due and not paid pursuant to the relevant contract.

"**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*).

"**Fideiussione DK**" means any guarantee (*fideiussione*) granted to secure the Receivables pursuant to which the secured bank has undertaken to provide, upon first written demand and without any exceptions and also in the event of objection of the relevant Lessee, the payment, up to the relevant guaranteed amount, of any amount which has not paid by the Lessee, and qualified by the Originator as "*Fideiussione DK*".

"**Guarantor**" means any person, other than the Debtor, who has granted any guarantee or security in favour of 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 Purchase Price**" means the initial purchase price of each Receivable, equal to the Outstanding Principal of such Receivable, as at the Valuation Date or, in case such term is referred to the Portfolio, the sum of the initial purchase price of the Receivables comprised in the Portfolio.

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

"**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).

"**Insurance Policy**" means any existing insurance policies relating to a Lease Contract and a Receivable, including, without limitation, the policies for the coverage of the risks regarding the Assets.

"**Intercreditor Agreement**" means the Intercreditor agreement entered into on or about the Issue Date between the Issuer, the Representative of the Noteholders and the Other Issuer Creditors, as from time to time modified in accordance with the provisions therein contained including any agreement or other document expressed to be supplemental thereto or any agreement in replacement thereof.

"**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 2 (two) Business Days prior to the Issue Date, and (ii) with respect to each subsequent Interest Period, the date falling 2 (two) Business Days prior to the Payment Date at the beginning of such Interest Period.

"**Interest 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 opened in the name of the Issuer in accordance with the Cash Allocation Management and Payment Agreement with the Account Bank for, *inter alia*, the deposit of all Eligible Investments.

"**Investor Report**" means the quarterly report setting out certain information with respect to the Portfolio and the Notes which shall be prepared by the Computation Agent pursuant to the Cash Allocation Management and Payments Agreement.

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

"**Irish Stock Exchange**" means the stock exchange of the Republic of Ireland.

"**Issue Date**" means 22 December 2014.

"**Issue Price**" means the 100 per cent of the principal amount of the Notes at which the Notes will be issued:

"**Issuer**" means Sunny 1 SPV S.r.l.

"**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 (including any Residual Optional Instalment);

(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 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 Cash Reserve Amount (if any), transferred from the Cash Reserve Account to the Payments Account on or prior to such Payment Date,

but excluding 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 as at the immediately preceding Payment Report Date.

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

"**Junior Notes**" or "**Class B Notes**" means the Euro 281,331,000 Class B Asset Backed Floating Rate Notes due December 2040.

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

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

"**Lease Contract**" means each of the financial leasing agreement, and any other related contract, deed, agreement or document, for the lease of an Asset from which the

Receivables arise.

"**Convention Leases**" means any leasing granted under the convention and/or any similar agreement in order to mandate to a distributing bank to arrange and, if applicable, approve in the name and on behalf of Alba Leasing (and/or of its assignors (*dante causa*)), leasing transactions relating to, *inter alia*, the Lease Contracts (including conventions qualified as "*Presto Leasing*").

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

"**Listing Agent**" means BNP Paribas Securities Services, Luxembourg Branch 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 has been executed a Lease Convention.

"**Main Securities Market**" means the regulated market of the Irish Stock Exchange.

"**Master Definitions Agreement**" means the master definitions agreement entered into on or about the Issue Date between the Issuer and the other Transaction Parties, 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 Rating**" means (a) a short-term rating of at least "B" by Standard & Poor's Rating Services, a part of McGraw Hill Financial or a rating equivalent by another recognised rating agency and (b) a long-term rating of at least "BB+" by Standard & Poor's Rating Services, a part of McGraw Hill Financial or a rating equivalent by another recognised rating agency.

"**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.

"**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.

"**Negative Adjustment**" means in relation to each Receivable arising from a Floating Rate Lease Contract, any additional amount (if any) to be paid to the Lessee as consequence of any decrease in the Index Rate applicable from time to time to the Lease Contracts according to the terms thereof.

"**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.

"**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 the Originator, the Representative of the Noteholders, the Paying Agent, the Computation Agent, the Account Bank, the Servicer, the Subordinated Loan Provider, the Cash Manager, the Corporate Servicer, together with any other creditor of the Issuer in the context of the Securitisation following its accession to the Intercreditor Agreement (including the Back-Up Servicer).

"**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 BNP Paribas Securities Services, Milan 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 22th day of each of March, June, September and December 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 opened in the name of the Issuer with the Account Bank or any other Eligible Institution in accordance with the Cash Allocation Management and Payment Agreement.

"**Payments Report**" means the quarterly report setting out all payments to be made by the Issuer on each Payment Date and to be prepared by the Computation Agent in accordance with 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.

"**Portfolio**" means the portfolio of Receivables purchased by the Issuer from the Originator.

"**Portfolio Call Option**" means the option provided for by clause 14.1 (*Opzione di Riacquisto*) and following of the Transfer Agreement and 20.3 (*Option to Repurchase the Portfolio*) of the Intercreditor Agreement pursuant to Article 1331 of the Italian Civil Code,

regarding the repurchase of the Portfolio by the Originator.

"**Positive Adjustment**" means in relation to each Receivable arising from a Floating Rate Lease Contract, any additional amount (if any) to be paid by the Lessee as consequence of any increase in the Index Rate applicable from time to time to the Lease Contracts according to the terms thereof.

"**Post-Enforcement Priority of Payments**" means the order of priority of payments which shall be applied after the delivery of a Trigger Notice.

"**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 to be made by the Issuer on each Payment Date in accordance with the Cash Allocation Management and Payments Agreement.

"**Pre-Emption Right**" has the meaning ascribed to such term in clause 14.7 (*Diritto di prelazione*) and following of the Transfer Agreement and 20.1 (*Disposal of the Portfolio following the delivery of a Trigger Notice*) of the Intercreditor Agreement.

"**Pre-Enforcement Priority of Payment**s" means the order of priority of payments which shall be applied prior to the delivery of a Trigger Notice.

"**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.

"**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.

"**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 opened in the name of the Issuer with Deutsche Bank S.p.A., in accordance with the Cash Allocation Management

and Payment Agreement.

"**Quotaholder**" means Stichting SFM Italy No. 1.

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

"**Receivable**" means 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 at the Valuation Date, excluding any amounts falling due prior to (and excluding) the Valuation Date including without limitation:

(i) the Instalments and the relevant Adjustments (if any);

(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.

"**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 Intesa SanPaolo S.p.A., BNP Paribas S.A. and Barclays Bank plc.

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

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

"**Representative of the Noteholders**" means Zenith Service S.p.A. or any other entity acting as representative of the Noteholders pursuant to the Subscription Agreements, the 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).

"**Retention Amount**" means an amount equal to Euro 25,000.

"**Rules of the Organisation of the Noteholders**" means the rules of the organisation of the Noteholders attached as Exhibit 1 to this 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.

"**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.

"**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.

"**Segregated Assets**" means the Portfolio, any monetary claim of the Issuer under the Transaction Documents, all cash-flows deriving from both of them and any Eligible Investments purchased therewith.

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

"**Senior Notes**" or "**Class A Notes**" means the Euro 450,000,000 Class A Asset Backed Floating Rate Notes due December 2040.

"**Senior Notes Subscription Agreement**" means the subscription agreement entered into on or about the Issue Date, between the Issuer, the Originator, the Senior Notes Underwriter, the Arranger and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained including any agreement or other document expressed to be supplemental thereto or any agreement in replacement thereof.

"**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 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 Rating, for the collection of the Receivables managed by the Servicer pursuant to the Servicing Agreement.

"**Servicer Account Bank**" means Credito Emiliano S.p.A. or any other bank having the Minimum Rating with which the Servicer Account will be established and any of its permitted successors or transferees.

"**Servicing Agreement**" means the servicing agreement entered into on 5 December 2014 between the Issuer and the Servicer, as amended and supplemented from time to time.

"**Settlement Date**" means the First Settlement Date and thereafter the last calendar day of February, May, August and November 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).

"**Subordinated Loan**" means an amount equal to the Cash Reserve Amount, to be disbursed by the Subordinated Loan Provider to the Issuer pursuant to the Subordinated Loan Agreement upon occurrence of a Cash Reserve Trigger Event.

"**Subordinated Loan Agreement**" means the subordinated loan agreement entered into on or about the Issue Date, between the Issuer, the Subordinated Loan Provider and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained including any agreement or other document expressed to be supplemental thereto or any agreement in replacement thereof.

"**Subordinated Loan Provider**" means Alba Leasing, in its capacity as subordinated loan provider pursuant to the Subordinated Loan Agreement.

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

"**Transaction Documents**" means, collectively, the Transfer Agreement, the Warranty and Indemnity Agreement, the Servicing Agreement, the Corporate Services Agreement, the Intercreditor Agreement, the Cash Allocation Management and Payment Agreement, the Subordinated Loan Agreement, the Quotaholder Agreement, the Monte Titoli Mandate Agreement, the Senior Notes Subscription Agreement, the Junior Notes Subscription Agreement, the Master Definitions Agreement and the Conditions and any other agreement, deed, or document entered into in the context of the Securitisation identified by the relevant parties as a "**Transaction Document**".

"**Transaction Parties**" means, collectively, the Issuer, the Arranger, the Representative of the Noteholders, the Originator, the Servicer, the Corporate Servicer, the Account Bank, the Cash Manager, the Subordinated Loan Provider, the Paying Agent, the Computation Agent, the Quotaholder, together with other parties to any other Transaction Document executed after the Issue Date in the context of the Securitisation (including the Back-Up Servicer).

"**Transfer Agreement**" means the transfer agreement entered into on 5 December 2014, as amended on or about the Issue Date, between the Issuer and the Originator, as amended and supplemented from time to time.

"**Transfer Date**" means 5 December 2014.

"**Valuation Date**" means 3 November 2014.

"**Warranty and Indemnity Agreement**" means the warranty and indemnity agreement entered into on 5 December 2014 between the Originator and the Issuer, as amended and supplemented from time to time.

3. FORM, DENOMINATION AND TITLE

3.1 Form

The Notes will be issued in bearer form and held in dematerialised form on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli for the account of the relevant Monte Titoli Account Holder. Monte Titoli shall act as depository for Clearstream and Euroclear.

3.2 Denomination

The denomination of the Senior Notes will be Euro 100,000. The denomination of the Junior Notes will be Euro 100,000 and integral multiples of Euro 1,000 in excess thereof.

3.3 Title

The Notes will be accepted for clearance by Monte Titoli with effect from the Issue Date. The Notes will at all times be evidenced by, and title thereto will be transferable by means

of, book entries in accordance with the provisions of (i) Article 83-*bis* of the Financial Laws Consolidated Act; and (ii) Regulation 22 February 2008. No physical document of title will be issued in respect of the Notes.

4. STATUS, PRIORITY AND SEGREGATION

4.1 Status

The Notes constitute secured limited recourse obligations of the Issuer and, accordingly, the extent of the obligation of the Issuer to make payments under the Notes is conditional upon the receipt and recovery by the Issuer of amounts due, and is limited to the extent of any amounts received or recovered by the Issuer, in each case, in respect of the Portfolio and the other Issuer's Rights. Notwithstanding any other provision of these Conditions, the obligation of the Issuer to make any payment under the Notes shall be equal to the lesser of (a) the nominal amount of such payment and (b) the Issuer Available Funds which may be applied for the relevant purpose in accordance with the applicable Priority of Payments, *provided that* if the Issuer Available Funds are insufficient to pay any amount due and payable to the Noteholders on any 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 Notes which has remained unpaid to the extent referred to above upon the Cancellation Date, shall be deemed extinguished and the relevant claims irrevocably relinquished, waived and surrendered by the Noteholders to the Issuer and the Noteholders will have no further recourse to the Issuer in respect of such obligations. The Noteholders acknowledge that the limited recourse nature of the Notes produces the effects of a "*contratto aleatorio*" 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

By virtue of the Securitisation Law, the Issuer's right, title and interest in and to the Portfolio and the other Segregated Assets are segregated from all other assets of the Issuer and any amount deriving therefrom will only be available both before and after a winding-up of the Issuer to satisfy the obligations of the Issuer to the Noteholders, to the Other Issuer Creditors and to any third party creditors of the Issuer in respect of costs, fees and expenses incurred by the Issuer in relation to the Securitisation.

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

In respect of the obligation of the Issuer to make payments on the Notes, under these Conditions the payment obligations of the Issuer in respect of the Junior Notes are subordinated to its payment obligations in respect of the 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 Class, the Issuer shall not, save with the prior written consent of the Representative of the Noteholders, or as provided in or contemplated by any of the Transaction Documents:

5.1.1 *Negative pledge*

create or permit to subsist any Security Interest whatsoever over the Portfolio or any part thereof or over any of its other assets (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 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 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 Conditions or the Transaction Documents shall prohibit the Issuer from:

(a) acquiring, or financing pursuant to Article 1, paragraph 1-*ter* or 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 only from the Originator;

(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 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 (iii) 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

(v) the Representative of the Noteholders is satisfied that conditions (i) to (iv) 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 priority of payments (in each case only if and to the extent that payments of a higher priority have been made in full):

1) 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);

2) 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;

3) 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;

4) 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 Cash Manager, the Computation Agent, the Paying Agent, the Corporate Servicer, the Servicer and the Back-Up Servicer (if any);

5) to pay, *pari passu* and *pro rata*, all amounts of interest due and payable on the Senior Notes on such Payment Date;

6) to credit into the Cash Reserve Account the amount necessary to bring the balance of such account up to (but not in excess of) the Cash Reserve Amount (if any);

7) to repay, *pari passu* and *pro rata*, the outstanding principal of the Senior Notes on such Payment Date;

8) to pay, *pari passu* and *pro rata*, all amounts of interest due and payable on the Junior Notes on such Payment Date;

9) to repay the outstanding principal of the Junior Notes on such Payment Date;

10) to pay interest under the Subordinated Loan;

11) to repay principal under the Subordinated Loan;

12) to pay any surplus to the Originator as Deferred Purchase Price.

The Issuer shall, if necessary, make the payments set out under items (1) and (2) above also

during the relevant Interest Period.

6.2 **Post-Enforcement Priority of Payments**

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

1) 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);

2) 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;

3) 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;

4) 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 Cash Manager, the Computation Agent, the Paying Agent, the Corporate Servicer, the Servicer and the Back-Up Servicer (if any);

5) to pay, *pari passu* and *pro rata*, all amounts of interest due and payable on the Senior Notes on such Payment Date;

6) to pay, *pari passu* and *pro rata*, all amounts in respect of principal outstanding on the Senior Notes;

7) to pay, *pari passu* and *pro rata*, all amounts of interest due and payable on the Junior Notes on such Payment Date;

8) to pay, *pari passu* and *pro rata*, all amounts in respect of principal outstanding on the Junior Notes;

9) to pay interest under the Subordinated Loan;

10) to repay principal under the Subordinated Loan;

11) to pay any surplus to the Originator as Deferred Purchase Price.

The Issuer shall, if necessary, make the payments set out under items (1) and (2) above also during the relevant Interest Period.

7. INTEREST

7.1 **Payment Dates and Interest Periods**

The Notes will bear interest on their Principal Amount Outstanding from (and including) the Issue Date at an annual rate equal to the Rate of Interest (as defined below). Interest in respect of the Notes will accrue on a daily basis and will be payable quarterly in arrears in Euro on each Payment Date in accordance with the applicable Priority of Payments in respect of the Interest Period ending immediately prior thereto.

The First Payment Date will be the Payment Date falling in 22 March 2015 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 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 the EURIBOR and a margin of 1,5% *per annum*.

The Rate of Interest applicable to the Junior Notes for each Interest Period shall be the aggregate of the EURIBOR and a margin of 2% *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 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 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 Notes shall be calculated by applying the relevant Rate of Interest to the Principal Amount Outstanding of the 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 Notes for each Interest Period (specifying (i) the Payment Date to which such Interest Amount refers; and (ii) the number of days of the relevant Interest Period), 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 Computation Agent, the Cash Manager, the Corporate Servicer and the Irish Stock Exchange, 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 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 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 Notes in the manner specified in Condition 7.3 (*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 Noteholders and (in such absence as aforesaid) no liability to the Noteholders shall attach to the Reference Banks, the Paying Agent, the Computation Agent, the Issuer or the Representative of the Noteholders in connection with the exercise or non-exercise by them or any of them of their powers, duties and discretion hereunder.

7.7 **Reference Banks and Paying Agent**

The Issuer shall ensure that, so long as any of the Notes remain outstanding, there shall at all times be three Reference Banks and a Paying Agent. The initial Reference Banks shall be Intesa SanPaolo S.p.A., 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 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 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 Conditions as if it were, Interest Amount accrued on the Notes on the immediately following Payment Date. Any such unpaid amount shall not accrue additional interest.

The Paying Agent shall give notice in writing to 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 the 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**

Unless previously redeemed in full or cancelled in accordance with this Condition 8 (*Redemption, Purchase and Cancellation*), the Notes are due to be repaid in full at their Principal Amount Outstanding (together with interest accrued thereon) on the Final Maturity Date.

The Issuer may not redeem the Notes in whole or in part prior to the Final Maturity Date except as provided below in Condition 8.2 (*Mandatory Redemption*), 8.3 (*Optional Redemption*) and 8.4 (*Redemption for Taxation*), but without prejudice to Condition 13 (*Trigger Events*).

8.2 **Mandatory Redemption**

The Notes of each Class 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 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**

Provided that no Trigger Notice has been served on the Issuer, on any Payment Date, the Issuer may redeem the Notes (in whole but not in part or, with the prior consent of the Junior Noteholders, the Senior Notes (in whole) and the Junior Notes (in whole or in part)), at their Principal Amount Outstanding, together with all accrued but unpaid interest thereon up to the redemption date and any amounts required under the applicable Priority of Payments to be paid in priority to or *pari passu* with the relevant Class of Notes, if the Principal Amount Outstanding of the Class A Notes is equal to or less than 10 per cent. of their Principal Amount Outstanding as at the Issue Date.

Any such redemption shall be effected by the Issuer on giving not more than 45 and not less than 15 days' prior written notice to the Representative of the Noteholders, to the relevant Noteholders in accordance with Condition 16 (*Notices*), *provided that* the Issuer has certified to the Representative of the Noteholders that it will have the necessary funds (not subject to the interests of any person) to discharge all its outstanding liabilities in respect of the relevant Notes to be redeemed and any amounts required under the applicable Priority of Payments to be paid in priority to or *pari passu* with such Notes.

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

8.4 **Redemption for Taxation**

If, at any time prior to the delivery of a Trigger Notice, the Issuer provides the Representative of the Noteholders, prior to the delivery of the notice referred to below, with a legal opinion (in form and substance satisfactory to the Representative of the Noteholders) from counsel in the Issuer's jurisdiction opining 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 Class of Notes (the "**Affected Class**"), 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 Portfolio would be

subject to withholding or deduction) (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 Class 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 Class to be redeemed,

then the Issuer may, on any such Payment Date at its option having given not more than 45 and not less than 15 days' prior written notice to the Representative of the Noteholders, to the relevant Noteholders in accordance with Condition 16 (*Notices*), redeem the Notes of the Affected Class (if the Affected Class is the Senior Notes, in whole but not in part or, if the Affected Class 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.

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 Portfolio, or any part thereof, to finance the early redemption of the Notes in accordance with this Condition 8.4 (*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 Portfolio at the terms and conditions specified in the Transfer Agreement and 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 Account Bank Investment Report provided by the Account Bank, (iii) the statements and the balances provided by the 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 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 Cash Reserve Amount (if any);

(iii) the Issuer Available Funds;

(iv) interest and principal on the Subordinated Loan;

(v) the Deferred Purchase Price of the Receivables due on the immediately following Payment Date and 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 Notes (if any) and Principal Amount Outstanding of the

Notes to be notified by the Computation Agent (through the Payments Report) to the Representative of the Noteholders, the Servicer, the Paying Agent, the Account Bank, the Cash Manager, the Corporate Servicer and the Originator. The Issuer will cause notice of each determination of a principal payment on the Notes and of Principal Amount Outstanding of the 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 Notes or Principal Amount Outstanding on the Notes is determined by or on behalf of the Issuer in accordance with the preceding provisions of this Condition 8.5, such principal payment on the Notes and Principal Amount Outstanding on the Notes shall be determined by the Representative of the Noteholders in accordance with 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 (1) to (6) 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 (*Optional Redemption*) and 8.4 (*Redemption for Taxation*), must be given in accordance with Condition 16 (*Notices*) and shall be irrevocable and, upon the expiration of such notice, the Issuer shall be bound to redeem the Notes in accordance with this Condition 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 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 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) 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;

(b) shall be entitled, until the date falling two years 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

(c) 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 Portfolio and/or the other Segregated Assets 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 Notes will be credited, according to the instructions of Monte Titoli, by the Paying Agent on behalf of the Issuer to the accounts of the relevant Monte Titoli Account Holder and thereafter credited by such Monte Titoli Account Holder from such aforementioned accounts to the accounts of the beneficial owners of those Notes, in accordance with the rules and procedures of Monte Titoli, Euroclear and Clearstream.

10.2 Payments subject to tax laws

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

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 (sixty) calendar days' prior written notice *provided, however, that* such revocation shall not take effect until a successor has been duly appointed in accordance with the Cash Allocation Management and Payment Agreement and notice of such appointment has been given to the Noteholders in accordance with Condition 16 (*Notices*).

11. TAXATION

All payments in respect of the Notes will be made without withholding or deduction for or on account of any present or future taxes, duties or charges of whatsoever nature other than a Decree 239 Deduction or any other withholding or deduction required to be made by applicable law. 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 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:

(i) Non-payment:

(a) on any Payment Date (*provided that* a 3 (three) 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 (five) 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 (thirty) 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 (thirty) days will be given); or

(iii) *Insolvency:* 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; or

(vi) *Cash Reserve Trigger Events*: a Cash Reserve Trigger Event occurs and the Subordinated Loan Provider defaults in the performance of its obligation to fund the Cash Reserve Amount and/or its reporting obligation in accordance with the Subordinated Loan Agreement.

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

(1) in the case of a Trigger Event under (i), (v) or (vi) 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, with copy to the Subordinated Loan Provider. 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 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 Portfolio at the terms and conditions specified in the Transfer Agreement and 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 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 Noteholders and (in such absence as aforesaid) no liability to the Noteholders or the Issuer shall attach to the Representative of the Noteholders in connection with the exercise or non-exercise by it of its powers, duties and discretion hereunder.

14.3 **Actions against the Issuer**

No Noteholder shall be entitled to proceed directly against the Issuer save as provided in these 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 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 Notes at the time of the issue of the Notes, subject to and in accordance with the provisions of the Notes Subscription Agreement. Each Noteholder is deemed to accept such appointment.

15.3 **Successor to the Representative of the Noteholders**

Pursuant to the provisions of the Rules of the Organisation of the Noteholders, the Representative of the Noteholders 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 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.

17.3 **Jurisdiction**

Any dispute arising from the interpretation and execution of these Conditions and the Transaction Documents 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 Conditions and the Transaction Documents, will be submitted to the exclusive jurisdiction of the Courts of Milan.

EXHIBIT 1

TO THE 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 Sunny 1 SPV S.r.l. of Euro 450,000,000 Class A Asset Backed Floating Rate Notes due December 2040 and the Euro 281,331,000 Class B Asset Backed Floating Rate Notes due December 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 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 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.

"**Conditions**" means the terms and conditions of the Notes and any reference to a numbered "**Condition**" is to the corresponding numbered provision thereof.

"**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 Sunny 1 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 principal amount of the Notes at the Issue Date, 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 (which must be proposed separately to each Class of Noteholders), 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.

and further provided that, in order to avoid conflict of interest that may arise as a result of the Originator having multiple roles in the Securitisation, those Senior Notes which are for the time being held by the Originator shall (unless and until ceasing to be so held) be deemed not to remain "outstanding" for the purposes of the right to vote at any Meeting of Noteholders duly convened by the Representative of the Notehoders in accordance with the Conditions and these Rules to transact one of the following Business:

(a) the revocation of the Originator in its capacity as Servicer;

(ii) the delivery of a Trigger Notice upon the occurrence of a Trigger Event in accordance with Condition 13 (Trigger Events);

(iii) the direction of the sale of the Portfolio after the delivery of a Trigger Notice upon occurrence of a Trigger Event in accordance with Condition 13 (Trigger Events);

(iv) the enforcement of any of the Issuer's Rights against the Originator in any role under the Securitisation;

(v) Business related to any other matter in relation to which, in the reasonable opinion of the Representative of the Noteholders, may exist a conflict of interest between the Senior Noteholders (in such capacity) and the Originator in any role under the Securitisation.

It remains understood that the above restriction on voting rights does not apply in case the then outstanding Senior Notes are entirely held by the Originator.

"**Regulation 22 February 2008**" means the resolution dated 22 February 2008 jointly issued by the Commissione Nazionale per le Societá e la Borsa ("**CONSOB**") and the Bank of Italy.

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

"**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 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;

(d) Business relating to an Extraordinary Resolution (including, without limitation, a Basic Terms Modifications) shall be transacted at separate Meetings of the Noteholders of each Class of Notes.

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 (twenty-one) 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 (fourteen) days after and no later than 42 (forty-two) 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 (ten)-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 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 Conditions or any other Transaction Document;

(f) grant any authority, order or sanction which, under the provisions of these Rules or of the 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 conflicts of interest

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 (fourteen) 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 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 Zenith Service 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 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 in any case be responsible for any loss and liability incurred by the Issuer as a consequence of the activity performed by such delegate or sub-delegate. 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 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 Portfolio; and

(5) any accounts, books, records or files maintained by the Issuer, the Servicer, and the Paying Agent or any other person in respect of the Portfolio or the Notes;

(v) shall not be responsible for the receipt or application by the Issuer of the proceeds of the issue of the Notes or the distribution of any of such proceeds to the persons entitled thereto;

(vi) shall not be responsible for 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 Portfolio or any part thereof, whether such defect or failure was known to the Representative of the Noteholders or might have been discovered upon examination or enquiry or whether capable of being remedied or not;

(viii) shall not be liable for any failure, omission or defect in registering or filing or procuring registration or filing of or otherwise protecting or perfecting these Rules or any Transaction Document;

(ix) shall not be under any obligation to guarantee or procure the repayment of the Portfolio or any part thereof;

(x) shall not be obliged to evaluate the consequences that any modification of these Rules or any of the Transaction Documents or exercise of its rights, powers and authorities may have for any individual Noteholder;

(xi) shall not (unless and to the extent ordered to do so by a court of competent jurisdiction) be under any obligation to disclose to any Noteholder, any Other Issuer Creditor or any other party any confidential, financial, price sensitive or other information made available to the Representative of the Noteholders by the Issuer or any other person in connection with these Rules and no Noteholder, Other Issuer Creditor or any other party shall be entitled to take any action to obtain from the Representative of the Noteholders any such information;

(xii) shall not be responsible for (except as otherwise provided in the Conditions or in the Transaction Documents) making or verifying any determination or calculation in respect of the Portfolio 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

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 31

Powers

It is hereby acknowledged that, upon the occurrence of a Trigger Event, pursuant to the Intercreditor Agreement, the Representative of the Noteholders, in its capacity as legal representative of the Organisation of the Noteholders, shall be entitled - also in the interest of the Other Issuer Creditors, pursuant to Articles 1411 and 1723 of the Italian Civil Code - to exercise certain rights in relation to the Portfolio. Therefore, the Representative of the Noteholders, in its capacity as legal representative of the Organisation of the Noteholders, will be authorised, pursuant to the terms of the Intercreditor 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 32

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 following is a description of certain aspects of Italian Law that are relevant to the transactions described in this Prospectus and of which prospective Noteholders should be aware. It is not intended to be exhaustive and prospective Noteholders should also read the detailed information set out elsewhere in this Prospectus.

The Securitisation Law

The Securitisation Law was enacted on 30 April 1999 and was conceived to simplify the securitization 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 claims, where the sale is to a company created in accordance with Article 3 of the Securitisation Law and all amounts paid by the assigned debtors in respect of the claims are to be used by the relevant company exclusively to meet its obligations under the notes issued to fund the purchase of such claims and all costs and expenses associated with the securitisation transaction. Law Decree No. 145 of 23 December 2013 ("*Interventi urgenti di avvio del piano "Destinazione Italia", per il contenimento delle tariffe elettriche e del gas, per la riduzione dei premi RC-auto, per l'internazionalizzazione, lo sviluppo e la digitalizzazione delle imprese, nonché misure per la realizzazione di opere pubbliche ed EXPO 2015*") converted with amendments into Law No. 9 of 21 February 2014 (the "**Law 9/2014**") and Law Decree No. 91 of 24 June 2014 ("*Disposizioni urgenti per il settore agricolo, la tutela ambientale e l'efficientamento energetico dell'edilizia scolastica e universitaria, il rilancio e lo sviluppo delle imprese, il contenimento dei costi gravanti sulle tariffe elettriche, nonché per la definizione immediata di adempimenti derivanti dalla normativa europea*") converted with amendments into Law No. 116 of 11 August 2014 (the "**Law 116/2014**"), introduced certain amendments to the Securitisation Law to the purpose of improving the Securitisation Law by granting additional legal benefits to the entities involved in the securitisation transactions in Italy and better clarifying certain provisions of the Securitisation Law.

In particular, the Law 9/2014 provides, *inter alia*, that:

1. the assigned debtors in securitisation transactions shall not be entitled to exercise any set-off between the amounts due by them under the assigned claims and their claims arisen after the date of publication in the Official Gazette of the notice of transfer of the relevant portfolio or the date certain at law ("*data certa*") on which the relevant purchase price (even if partial) has been paid;

2. payments made by assigned debtors under securitised claims are not subject to the declaration of ineffectiveness pursuant to article 65 of the Bankruptcy Law;

3. the assignment of receivables owed by public entities made under the Securitisation Law will now be subject only to the formalities contemplated by the Securitisation Law (*i.e.,* the publication of the notice of assignment in the Official Gazette and the registration of the assignment in the register of companies where the assignee is enrolled) and no other formalities shall apply; and

4. where the Notes issued by the special purpose vehicle are subscribed by qualified investors, the underwriter can also be a sole investor.

In addition, Law 116/2014 further amends the Securitisation Law in a number of respects by introducing the following main changes:

1. if the servicer, the sub-servicer or the depositary bank, with which the accounts for the deposit of the collections received from the assigned debtors of securitisation transactions have been opened, becomes subject to insolvency proceedings, the amounts credited on such accounts will be immediately and fully returned to the special purpose vehicle in accordance with the provisions of the relevant agreement and without the need for the filing of any petition in the relevant insolvency proceeding and outside any distribution plan;

2. securitisation companies established under the Securitisation Law are allowed to grant direct financings to entities which are not individuals or so called micro-companies, subject to certain conditions;

3. certain consequential changes are made to the Securitisation Law to reflect such new possibility;

4. the segregation principle set out in the second paragraph of article 3 of the Securitisation Law is widened to include any right arising in favour of the securitisation company in the context of the relevant securitisation transaction, the relevant collections and the financial assets acquired with such collections.

Ring-fencing of the assets

Pursuant to operation of Article 3 of the Securitisation Law, the assets relating to each securitization transaction are segregated, by operation of law, for all purposes from all other assets of the company which purchases the claims (including, for the avoidance of doubt, any other portfolio purchased by the company pursuant to the Securitisation Law). Prior to and on a winding up of such a company, such assets (for so long as such amounts are credited to one of the Issuer's accounts under this Transaction and not commingled with other sums) will only be available to holders of the notes issued to finance the acquisition of the relevant claims 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. 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.

In addition to the above, it should be noted that, pursuant to the amendments recently introduced to the Securitisation Law by Law 9/2014 and Law 116/2014, it has been provided for that *inter alia*:

(i) the amounts credited into the accounts opened by companies incorporated as special purpose vehicles pursuant to article 3 of Law 130 with the servicers or with the depositary bank of securitisation transactions, on which the amounts paid by the assigned debtors as well as any other amount due to the relevant special purpose vehicle under the securitisation may be credited, may be utilized only to fulfill the obligations of the relevant special purpose vehicle against the noteholders and the other creditors under the securitisation and to pay the expenses to be borne in connection with the securitisation. Should any proceeding under Title IV of the Consolidated Banking Act, or any other insolvency procedure apply to the relevant servicer or depositary bank, the amounts credited on such accounts and the sums deposited during the course of the relevant insolvency procedure (i) will not be subject to the suspension of payments; and (ii) will be immediately and fully returned to the special purpose vehicle in accordance with the provisions of the relevant agreement and without the need to for the filing of any petition in the relevant insolvency proceeding and outside any distribution plan; and

(ii) in respect of the accounts opened by the servicers and the sub-servicers with banks, and into which the amounts paid by the assigned debtors may be credited, the creditors of the relevant servicer or sub-servicer may exercise claims only in respect of the amounts credited on such accounts that exceed the amounts due to the relevant special purpose vehicle. Should any insolvency procedure apply to the relevant servicer or sub-servicer, the amounts credited on such segregated accounts and the sums deposited during the course of the relevant insolvency procedure will be immediately and fully returned to the special purpose vehicle in accordance with the provisions of the relevant agreement and without the need to for the filing of any petition in the relevant insolvency proceeding and outside any distribution plan. Under Italian law, however, any creditor of the Issuer would be able to commence insolvency or winding-up proceedings against the Issuer in respect of any unpaid debt.

The assignment

The assignment of the claims under Law 130 is governed by article 58, paragraphs 2, 3 and 4, of the Consolidated Banking Act. The prevailing interpretation of such provisions, which view has been strengthened by article 4 of Law 130, is that the assignment can be perfected against the originator, assigned debtors and third party creditors by way of publication of the relevant notice in the Official Gazette and registration in the companies' register where the Issuer is enrolled, so avoiding the need for notification to be served on each assigned debtor. Furthermore, the Bank of Italy could require further formalities.

Upon compliance with the formalities set forth by the Securitisation Law, the assignment becomes enforceable against:

(a) the assigned debtors and any creditors of the originator who have not, prior to the date of publication of the notice of assignment in the Official Gazette and registration of the assignment in the register of companies where the assignee is enrolled, commenced enforcement proceedings in respect of the relevant claims;

(b) (i) the liquidator or any other bankruptcy officials of the assigned debtors (so that any payments made by an assigned debtor to the purchasing company may not be subject to any claw-back action according to article 67 of the Bankruptcy Law, and (ii) the liquidator of the originator (*provided that* the originator has not been subjected to insolvency proceeding prior to the date of publication of the notice of assignment in the Official Gazette and the registration of the assignment in the register of companies where the assignee is enrolled); and

(c) other permitted assignees of the originator who have not perfected their assignment prior to the date of publication of the notice of assignment in the Official Gazette and the registration of the assignment in the register of companies where the assignee is enrolled.

The benefit of any privilege, guarantee or security interest guaranteeing or securing repayment of the assigned claims will automatically be transferred to and perfected with the same priority in favour of the company which has purchased the claims, without the need for any formality or annotation.

As from the date of publication of the notice of the assignment in the Official Gazette and registration of the assignment in the register of companies where the assignee is enrolled, no legal action may be brought against the claims 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 claims and to meet the costs of the transaction.

Notice of the assignment of the claims pursuant to the Transfer Agreement has been published in Official Gazette No. 147, Part II, on 13 December 2014 and registered with the Register of Enterprises of Milan on 10 December 2014.

Prepayments by Lessees

Pursuant to article 65 of the Bankruptcy Law, in the event that a Lessee (to the extent the same is subject to the Bankruptcy Law) is declared bankrupt, any payment made by the Lessee during the two-years period prior to the declaration of bankruptcy in respect of any amount which falls due and payable on or after the date of declaration of bankruptcy (including accordingly, any prepayments made under the relevant Lease Contract) are ineffective *vis-à-vis* the Issuer.

The Securitisation Law, as amended by Law 9/2014, provides that **(i)** the claw-back provisions set forth in article 67 of the Bankruptcy Law do not apply to payments made by the Lessees to the Issuer in respect of the securitised Claims and **(ii)** the payments made by assigned debtors under securitised claims are not subject to the declaration of ineffectiveness pursuant to article 65 of the Bankruptcy Law.

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 10 (ten) days but not later than 90 (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 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 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 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 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 though 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 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 Bankruptcy 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 Bankruptcy Law and in such a case, the protective measures set out by Article 168 of the Bankruptcy 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 (ninety)-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 Bankruptcy 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 Bankruptcy 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 Bankruptcy Law (Accordi di ristrutturazione dei debiti)

Articles 182-*bis* and following of the 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 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 (sixty) 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 rigts (*diritti di prelazione*) which have not been agreed in advance; and

(c) creditors and any other interested party may oppose the agreement within 30 (thirty) 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 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 (sixty) 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 Bankruptcy 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 Bankruptcy Law, subject to a certification by an expert that such loans are functional to the best satisfaction of the creditors' rights.

Restructuring arrangements in accordance with law No. 3 of 27 January 2012

According to the provision of law No. 3 of 27 January 2012 (the "**Law 3/2012**"), a debtor in a state of over indebtedness (*stato di sovraindebitamento*) is entitled to submit to his creditors, with the

assistance of a competent body (*Occ-Organismi per la Composizione della Crisi*), a debt restructuring arrangement (the "**Restructuring Agreement**") which shall in any case ensure the full payment of the creditors whose claims towards the relevant debtor are not subject to be attached (*pignorati*) in accordance with Article 545 of the Italian code of civil procedure. The Law 3/2012, as amended, applies, *inter alia*, to (i) debtors who are not eligible to be adjudicated bankrupt under the Bankruptcy Law; or (ii) to debtors which have not benefited of any procedure set out by Law 3/2012 in the past five years. In any case the debtors must comply with Article 7 of Law 3/2012 in order to benefit from the procedure provided by Law 3/2012. In addition a specific procedure is provided in relation to debtors who qualify as consumers (*consumatori*).

The Restructuring Agreement shall provide the revised terms of payment of all of the debtor's obligations, including – at certain conditions – the secured creditors (*creditori privilegiati*). The Restructuring Agreement becomes effective, upon approval (*omologazione*) by the competent Court (which shall be given in any case within 6 months from the date on which the proposal of Restructuring Agreement is submitted by the relevant debtor). In any case a favorable vote of creditors representing at least 60% of the debtor's claims is required for the approval of the Restructuring Agreement. Under the approved Restructuring Agreement, which shall be binding for all of the creditors of the relevant debtor, the latter may obtain: (a) up to a one-year period moratorium for secured creditors (*creditori privilegiati*); (b) the suspension of all foreclosure procedures and seizures (*sequestri conservativi*) against it; (c) that creditors will be prevented from creating pre-emption rights (*diritti di prelazione*) on the debtor's assets; and (d) that legal interests will stop to accrue. As a consequence of the entering into force of the Restructuring Agreement, the debtor's assets will be considered as attached, and could not be further attached by upcoming creditors. The Restructuring Agreement ceases to be effective if the relevant debtor does not pay the obligations set out therein within 90 (ninety) days from the established deadlines, or if they attempt to fraud its creditors. The Restructuring Agreement does not prejudice claims owed to the relevant debtor's guarantors and co-obligors.

As an alternative to the procedure described hereabove, the debtors (i) in a state of over indebtedness (*stato di sovraindebitamento*) and (ii) which have not benefited of any procedure set out by Law 3/2012 in the past five years, may request the voluntary winding up of all its assets. In particular, under such procedure the competent judge, upon request of the relevant debtor, is entitled to issue a decree by means of which they will appoint a liquidator, and order the relevant debtor to transfer its assets to such liquidator. The appointed liquidator will then pay creditors proportionally to their claims (save for claims with pre- emption causes (*diritti di prelazione*)). Upon such decree being issued by the competent Court, all the foreclosure procedures and seizures (*sequestri conservativi*) on the debtor's assets will be suspended. Such procedure cannot have duration lower than four years. Consequently, should the debtor acquire further assets within four years from the date on which the filing has been made by the relevant debtor, such new assets will form part of the liquidator's assets and will be applied by the latter to pay the creditors of the relevant debtor.

Should any Lessee enter into a proceeding set out by Law 3/2012, the Issuer could be subject to the risk of having the payments due by the relevant Lessee suspended for up to one year (in case of the entering into of Restructuring Agreement) or part of its debts released. However, given the novelty of this new legislation, the impact thereof on the cash flows deriving from the Portfolio and, as a consequence, on the amortisation of the Notes may not be predicted as at the date of this Prospectus.

TAXATION

The following is a general summary of current Italian law and practice relating to certain Italian tax considerations concerning the subscription, purchase, ownership and disposition of the Senior Notes. It does not purport to be a complete analysis of all tax considerations that may be relevant to your decision to subscribe, purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of prospective beneficial owners of the Notes, some of which may be subject to special rules. The following summary does not discuss the treatment of the Notes that are held in connection with a permanent establishment or fixed base through which a non Italian resident beneficial owner carries on business or performs professional services in Italy.

This summary is based upon tax laws and practice of Italy in effect on the date of this Prospectus which are however subject to a potential retroactive change. Prospective noteholders should consult their tax advisers as to the consequences under Italian tax law, under the tax laws of the country in which they are resident for tax purposes and of any other potentially relevant jurisdiction of acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes, including in particular the effect of any state, regional or local tax laws.

Prospective noteholders should in any event seek their own professional advice regarding the Italian or other jurisdictions tax consequences of the subscription, purchase, ownership and disposition of the Notes, including the effect of Italian or other jurisdictions' tax rules on residence of individuals and entities.

Republic of Italy

Tax treatment of Notes issued by the Issuer

Decree No. 239 sets out the applicable regime regarding the tax treatment of interest, premium and other income (including the difference between the redemption amount and the issue price) (hereinafter collectively referred to as "**Interest**") deriving from Notes falling within the category of bonds and similar securities (*obbligazioni e titoli similari alle obbligazioni*) issued, *inter alia*, by Italian limited liability company incorporated under Article 3 of Law No. 130 of 30 April 1999. The provisions of Decree 239 only apply to Notes issued by the Issuer to the extent that they qualify as *obbligazioni* (bonds) or as *titoli similari alle obbligazioni* (securities similar to bonds) pursuant to Article 44 of Presidential Decree No. 917 of 22 December 1986, as amended and supplemented ("**Decree No. 917**").

For this purpose, debentures similar to bonds are securities that (i) incorporate an unconditional obligation to pay, at maturity, an amount not lower than their nominal value and (ii) do not grant to the relevant holders any right to directly or indirectly participate in the management of the issuer or of the business in relation to which they are issued or to control the same management.

Italian resident Noteholders

Where an Italian resident Noteholder is:

(a) an individual not engaged in an entrepreneurial activity to which the Notes are connected (unless he has opted for the application of the *risparmio gestito regime* – see under "*Capital gains tax*" below);

(b) a non-commercial partnership;

(c) a non-commercial private or public institution; or

(d) an investor exempt from Italian corporate income taxation,

interest, premium and other income relating to the Notes, accrued during the relevant holding period, are subject to a withholding tax, referred to as "*imposta sostitutiva*", levied at the rate of 26 per cent.. In the event that the Noteholders described under (a) and (c) above are engaged in an entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* applies as a provisional tax and may be deducted from the taxation on income due.

Where an Italian resident Noteholder is a company or similar commercial entity, or a permanent establishment in Italy of a foreign company to which the Notes are effectively connected, and the Notes are deposited with an authorised intermediary, Interest from the Notes shall not be subject to *imposta sostitutiva*. They must, however, be included in the relevant Noteholder's income tax return and are therefore subject to general Italian corporate taxation (and, in certain circumstances, depending on the "status" of the Noteholder, also to the regional tax on productive activities - IRAP).

Italian real estate funds created under Article 37 of Italian Legislative Decree No. 58 of 24 February 1998 and Article 14-*bis* of Italian Law No. 86 of 25 January 1994 ("**Real Estate Funds**") are not subject to any substitute tax at the fund level nor to any other income tax in the hands of the fund. However, a withholding or substitute tax at a rate of 26% will instead apply, in certain circumstances, to income realized by unitholders in the event of distributions, redemption or sale of the units or shares. Subject to certain conditions, income realized by the real estate investment fund is attributed to the investor irrespective of its actual distribution and in proportion to the percentage of ownership of units on a tax transparency basis.

If the investor is resident in Italy and is an open-ended or closed-ended investment fund (a "**Fund**") or a SICAV ("**SICAV**"), established in Italy and either (i) the Fund or SICAV or (ii) their manager is subject to a form of prudential supervision by the competent regulatory authority and the Notes are held by an authorised intermediary, Interest accrued during the holding period on the Notes shall not be subject to *imposta sostitutiva*, in the hands of the relevant Noteholder; a withholding tax of 26 per cent. shall be levied on proceeds distributed by the investment fund or the SICAV or received by certain categories of unitholders upon redemption or disposal of the units.

Where an Italian resident Noteholder is a pension fund subject to the regime provided for by article 17 of the Italian Legislative Decree No. 252 of 5 December 2005 (a "**Pension Fund**") and the Notes are deposited with an authorised intermediary, Interest relating to the Notes and accrued during the holding period will not be subject to *imposta sostitutiva*, but shall be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to an 11 per cent. substitute tax (increased to 11.5 per cent. for 2014).

Pursuant to Decree No. 239, *imposta sostitutiva* is applied by banks, SIMs, fiduciary companies, SGRs, stockbrokers and other entities identified by a decree of the Ministry of Finance (each an "**Intermediary**").

An Intermediary shall (a) be resident in Italy or be a permanent establishment in Italy of a non-Italian resident financial intermediary, and (b) intervene, in any way, in the collection of interest or in the transfer of the Notes. For the purpose of the application of the *imposta sostitutiva*, a transfer of Notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Notes or in a change of the Intermediary with which the Notes are deposited.

Where the Notes are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any Italian financial intermediary paying interest to a Noteholders or, absent that, by the Issuer.

Non-Italian resident Noteholders

Where the Noteholder is a non-Italian resident, an exemption from the *imposta sostitutiva* applies *provided that* the non-Italian resident beneficial owner is:

(a) resident, for tax purposes, in a country which allows for a satisfactory exchange of information with Italy (the "**White List States**") as listed (i) in the Italian Ministerial Decree dated 4 September 1996, as amended from time to time, or (ii) as from the tax year in which the decree pursuant to article 168-*bis* of Decree No. 917 is effective, in the list of States allowing an adequate exchange of information with the Italian tax authorities as per the

decree issued to implement Article 168-*bis*, paragraph 1 of Decree No. 917 (for the 5 years starting on the date of publication of the Decree in the Official Gazette, States and territories that are not included in the current black-lists set forth by Italian Ministerial Decrees of 4 May 1999, 21 November 2001 and 23 January 2002 nor in the current white list set forth by Italian Ministerial Decree of 4 September 1996 are deemed to be included in the new white-list); or

(b) an international body or entity set up in accordance with international agreements which have entered into force in Italy; or

(c) a Central Bank or an entity which manages, *inter alia*, the official reserves of a foreign State; or

(d) an "institutional investor", whether or not subject to tax, which is established in a White List State (as defined above).

In order to ensure gross payment, non-Italian resident Noteholders must be the beneficial owners of the payments of Interest and must:

(a) deposit, directly or indirectly, the Notes with a resident bank or SIM or a permanent establishment in Italy of a non-Italian resident bank or SIM or with a non-Italian resident entity or company participating in a centralised securities management system which is in contact, via computer, with the Ministry of Economy and Finance; and

(b) file with the relevant depository, prior to or concurrently with the deposit of the Notes, a statement of the relevant Noteholders, which remains valid until withdrawn or revoked, in which the Noteholders declares to be eligible to benefit from the applicable exemption from *imposta sostitutiva*. This statement, which is not requested for international bodies or entities set up in accordance with international agreements which have entered into force in Italy nor in the case of foreign Central Banks or entities which manage, *inter alia*, the official reserves of a foreign State, must comply with the requirements set forth by Ministerial Decree of 12 December 2001.

The *imposta sostitutiva* shall be applicable at the rate of 26 per cent. to Interest paid to Noteholders who do not qualify for the exemption.

Noteholders who are subject to the *imposta sostitutiva* might, nevertheless, be eligible for a total or partial relief under an applicable tax treaty between the Republic of Italy and the country of residence of the relevant Noteholder.

Capital gains tax

Any gain obtained from the sale or redemption of the Notes would be treated as part of the taxable income (and, in certain circumstances, depending on the "status" of the Noteholder, also as part of the net value of the production for IRAP purposes) if realised by an Italian company, a similar commercial entity (including the Italian permanent establishment of foreign entities to which the Notes are connected) or Italian resident individuals engaged in an entrepreneurial activity to which the Notes are connected.

Where an Italian resident Noteholder is an individual not engaged in an entrepreneurial activity to which the Notes are connected, any capital gain realised by such Noteholder from the sale or redemption of the Notes would be subject to an *imposta sostitutiva*, levied at the rate of 26 per cent.. The Noteholders may set off any losses with their gains.

In respect of the application of *imposta sostitutiva*, taxpayers may opt for one of the three regimes described below:

(a) Under the tax declaration regime (*regime della dichiarazione*), which is the default regime for Italian resident individuals not engaged in an entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on

all capital gains (net of any incurred capital loss) realised by the Italian resident individual Noteholders holding the Notes. In this instance, "capital gains" means any capital gain not connected with an entrepreneurial activity pursuant to all sales or redemptions of the Notes carried out during any given tax year. Italian resident individuals holding the Notes not in connection with an entrepreneurial activity must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay the *imposta sostitutiva* on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years. However, according to Law Decree 24 April 2014, No. 66, as converted into law with amendments by Law 23 June 2014, No. 89 ("**Decree No. 66**"), capital losses realized up to June 30, 2014 may be offset against capital gains realized after that date with the following limitations: (i) for an amount equal to 48.08 per cent., for capital losses realized up to December 31, 2011; and (ii) for an amount equal to 76.92 per cent., for capital losses realized from January 1, 2012 to June 30, 2014.

(b) As an alternative to the tax declaration regime, Italian resident individual Noteholders holding the Notes not in connection with an entrepreneurial activity may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Notes (the *risparmio amministrato regime*). Such separate taxation of capital gains is allowed subject to:

(i) the Notes being deposited with Italian banks, SIMs or certain authorised financial intermediaries; and

(ii) an express election for the *risparmio amministrato* regime being timely made in writing by the relevant Noteholder.

The depository must account for the *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Notes (as well as in respect of capital gains realised upon the revocation of its mandate), net of any incurred capital loss. The depository must also pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Noteholders or using funds provided by the Noteholders for this purpose. Under the *risparmio amministrato* regime, where a sale or redemption of the Notes results in a capital loss, which may be deducted from capital gains subsequently realised, within the same securities management, in the same tax year or in the following tax years up to the fourth. However, according to Decree No. 66, capital losses realized up to June 30, 2014 may be offset against capital gains realized after that date with the following limitations: (i) for an amount equal to 48.08 per cent., for capital losses realized up to December 31, 2011; and (ii) for an amount equal to 76.92 per cent., for capital losses realized from January 1, 2012 to June 30, 2014. Under the *risparmio amministrato* regime, the Noteholders are not required to declare the capital gains in the annual tax return.

(a) In the "*risparmio gestito*" regime, any capital gains realised by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity who have entrusted the management of their financial assets (including the Notes) to an authorised intermediary, will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 26 per cent., to be paid by the managing authorised intermediary. Any depreciation of the managed assets accrued at the yearend may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. However, according to Decree No. 66, investment portfolio losses accrued up to June 30, 2014 may be offset against capital gains realized after that date with the following limitations: (i) for an amount equal to 48.08 per cent., for investment portfolio losses accrued up to December 31, 2011; and (ii) for an amount equal to 76.92 per cent., for investment portfolio losses accrued from January 1, 2012 to June 30, 2014. The Noteholders are not required to declare the capital gains realised in the annual tax return.

Any capital gains realized by a Noteholder which qualifies as a Real Estate Fund accrues to the tax year-end appreciation of the managed assets, which is exempt from any income tax, subject to certain conditions. A withholding tax may apply in certain circumstances at a rate of 26 per cent. on distributions made by Italian real estate funds.

Any capital gains realised by a Noteholder who is a Fund or a SICAV shall not be subject to *imposta sostitutiva* on capital gains, in the hands of the relevant Noteholders; a withholding tax of 26 per cent. shall be levied on proceeds distributed by the investment funds or the SICAV or received by certain categories of unitholders upon redemption or disposal of the units.

Any capital gains realised by a Noteholder who is Pension Fund will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to an 11 per cent. substitute tax (increased to 11.5 per cent. for 2014).

Capital gains realised by non-Italian resident Noteholders from the sale or redemption of Notes issued by an Italian resident issuer and traded on regulated markets are not subject to the *imposta sostitutiva*.

Capital gains realised by non-Italian resident Noteholders, without a permanent establishment in Italy to which the Notes are effectively connected, from the sale or redemption of Notes issued by an Italian resident issuer not traded on regulated markets are not subject to the *imposta sostitutiva*, *provided that* the effective beneficiary is:

(a) resident in a White List State;

(b) an international entity or body set up in accordance with international agreements which have entered into force in Italy;

(c) a Central Bank or an entity which manages, inter alia, the official reserves of a foreign State; or

(d) an "institutional investor", whether or not subject to tax, which is established in a White List State.

If none of the conditions above is met, capital gains realised by non-Italian resident Noteholders, without a permanent establishment in Italy to which the Notes are effectively connected, from the sale or redemption of Notes issued by an Italian resident issuer and not traded on regulated markets are subject to the *imposta sostitutiva* at the current rate of 26 per cent.. However, Noteholders may benefit from an applicable tax treaty with Italy providing that capital gains realised upon the sale or redemption of the Notes are to be taxed only in the resident tax country of the recipient.

Inheritance and Gift Tax

Transfers of any valuable asset (including shares, Notes or other securities) as a result of death or donation are taxed as follows:

(a) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or gift exceeding Euro 1,000,000;

(b) transfers in favour of relatives to the fourth degree or relatives-in-law to the third degree are subject to an inheritance and gift tax at a rate of 6 per cent. on the entire value of the inheritance or the gift. Transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or gift exceeding Euro 100,000; and

(c) any other transfer is, in principle, subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or gift.

If the heir/heiress and/or the donee is a person with a severe disability pursuant to Law No. 104 of February 5, 1992, inheritance tax or gift tax is applied on the amount of the value of the inheritance or gift that exceeds Euro 1,500,000.

Transfer tax

Contracts relating to the transfer of securities are subject to the registration tax as follows:

(a) public deeds and notarized deeds (*atti pubblici e scritture private autenticate*) are subject to fixed registration tax at rate of Euro 200; and

(b) private deeds (*scritture private non autenticate*) are subject to fixed registration tax of Euro 200 only in the so-called "case of use", in case of voluntary registration or in case of occurrence of the so-called *enunciazione*.

Stamp Duty

Pursuant to Article 13 of the Tariff attached to Presidential Decree No. 642 of October 26, 1972 (the "**Decree 642**"), a proportional stamp duty applies based on the period accounted to any periodic reporting communications which may be sent by a financial intermediary to a Noteholder in respect of any notes which may be held by with such financial intermediary. The stamp duty applies at a rate of 0.20 per cent.; this stamp duty is determined on the basis of the market value or – if no market value figure is available – the nominal value or redemption amount of the notes held. The stamp duty cannot exceed Euro 14,000 if the Noteholder is not an individual.

Under a certain interpretation of the law, it may be understood that the stamp duty applies both to Italian resident and non-Italian resident Noteholders, to the extent that notes are held with an Italian-based financial intermediary.

Wealth Tax on securities deposited abroad

According to the provisions set forth by Law No. 214 of December 22, 2011, as amended and supplemented, Italian resident individuals holding the notes outside the Italian territory are required to pay an additional tax at a rate of 0.20 per cent.. In this case the above mentioned stamp duty provided for by Article 13 of the tariff attached to Decree 642 does not apply.

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 - the nominal value or the redemption value of such financial assets held outside the Italian territory. Taxpayers are entitled to an Italian tax credit equal to the amount of wealth taxes paid in the State where the financial assets are held (up to an amount equal to the Italian wealth tax due).

Financial assets held abroad are excluded from the scope of the wealth tax if they are administered by Italian financial intermediaries pursuant to an administration agreement. In this case, the above mentioned stamp duty provided for by Article 13 of the Tariff attached to Decree 642 does apply.

EU Savings Directive

Under Council Directive 2003/48/EC on the taxation of savings income ("**EU Savings Directive**"), Member States are required to provide to the tax authorities of other Member States details of certain payments of interest or similar income paid or secured by a person established in a Member State to or for the benefit of an individual resident in another Member State or to certain limited types of entities established in that other Member State.

On 24 March 2014, the Council of the European Union adopted a Council Directive amending and broadening the scope of the requirements described above. Member States are required to apply these new requirements from 1 January 2017. The changes will expand the range of payments covered by the Directive, in particular to include additional types of income payable on securities. The Directive will also expand the circumstances in which payments that indirectly benefit an individual resident in a Member State must be reported. This approach will apply to payments made to, or secured for, persons, entities or legal arrangements (including trusts) where certain conditions are satisfied, and may in some cases apply where the person, entity or arrangement is established or effectively managed outside of the European Union.

For a transitional period, Luxembourg and Austria are required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments. The changes referred to above will broaden the types of payments subject to withholding in those Member States which still operate a withholding system when they are implemented. In April 2013, the Luxembourg Government announced its intention to abolish the withholding system with effect from 1 January 2015, in favour of automatic information exchange under the Directive.

The end of the transitional period is dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries. A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

Implementation in Italy of the Savings Directive

Italy has implemented the Savings Directive through Legislative Decree No. 84 of 18 April 2005 ("**Decree No. 84**"). Under Decree No. 84, subject to a number of important conditions being met, for interest paid from 1 July 2005 to individuals which qualify as beneficial owners of the interest payment and are resident for tax purposes in another Member State, Italian qualified paying agents shall report to the Italian Tax Authorities details of the relevant payments and personal information on the individual beneficial owner and shall not apply the withholding tax. Such information is transmitted by the Italian Tax Authorities to the competent foreign tax Authorities of the State of residence of the beneficial owner.

Tax monitoring

Pursuant to Law Decree No. 167 of 28 June, 1990, converted by Law No. 227 of 4 August, 1990, as amended, individuals resident in Italy who, during the fiscal year, hold investments abroad or have financial activities abroad must, in certain circumstances, disclose the aforesaid and related transactions to the Italian tax authorities in their income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax return). Such obligation is not provided for those deposits and bank accounts ("*depositi e conti correnti bancari*") hold abroad whose overall maximum value reached during the relevant fiscal year, does not exceed Euro 10,000 (Euro 15,000 starting from 1 January 2015).

SUBSCRIPTION AND SALE

Pursuant to the Senior Notes Subscription Agreement entered into on or about the Issue Date between the Issuer, the Senior Notes Underwriter, the Originator, the Representative of the Noteholders and the Arranger, the Senior Notes Underwriter agreed to subscribe and pay the Issuer for the Senior Notes at their Issue Price. In addition to the above, under the Senior Notes Subscription Agreement, the Senior Notes Underwriter has undertaken that it will retain at the origination and maintain on an on-going basis a material net economic interest of at least 5% in the Securitisation in accordance with option (1)(d) of Article 405 of the CRR and option (1)(d) of Article 51 of the AIFM Regulation. Please refer to section headed "*Regulatory Capital Requirements*".

Pursuant to the Junior and Junior Notes Subscription Agreement entered into on or about the Issue Date between the Issuer, the Junior Notes Underwriter and the Representative of the Noteholders (together with the Senior Notes Subscription Agreement, the "**Subscription Agreements**"), the Junior Notes Underwriter has agreed to subscribe and pay the Issuer for the Junior Notes, at their Issue Price.

The Subscription Agreements are subject to a number of conditions precedent and may be terminated in certain circumstances prior to the payment of the Issue Price to the Issuer.

UNITED STATES OF AMERICA

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (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 pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act.

The Originator has represented and agreed that it has not offered or sold the Notes, and will not offer or sell the Notes within the United States or to, or for the account or benefit of, U.S. persons (i) as part of its distribution at any time and (ii) otherwise until 40 calendar days after the completion of the distribution of all Notes and then only in accordance with Rule 903 of the Regulation S promulgated under the Securities Act. The Originator has not engaged and will not engage in any directed selling efforts with respect to the Notes, and it has complied and will comply with the offering restrictions requirements of Regulation S under the Securities Act. At or prior to confirmation of sale of the Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notes from it during the distribution compliance period a confirmation or notice to substantially the following effect.

The Notes 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), (x) as part of their distribution at any time or (y) otherwise until 40 calendar days after the completion of the distribution of Securities, except in either case in accordance with Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering, an offer or sale of the Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Terms used in this paragraph have the meaning given to them by Regulation S under the Securities Act.

REPUBLIC OF ITALY

Each of the Issuer and the Originator, under the Subscription Agreements, acknowledges that no action has been or will be taken by it, its affiliates or any other person acting on its behalf which would allow an offering (or an "*offerta al pubblico di prodotti finanziari*") of the Notes to the public in the Republic of Italy unless in compliance with the relevant Italian securities, tax and other applicable laws and regulations. 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.

Pursuant to the Subscription Agreements, each of the Issuer and the Originator has acknowledged that no application has been made by the Issuer to obtain an authorisation from CONSOB for the public offering of the Notes in the Republic of Italy.

Accordingly, each of the Issuer and the Originator, under the Subscription Agreements, represents and agrees that it has not offered, sold or delivered, and will not offer, sell or deliver, and has not distributed and will not distribute and has not made and will not make available in the Republic of Italy the Notes, this Prospectus nor any other offering material relating to Notes other than to professional investors ("*investitori qualificati*"), as defined on the basis of the Directive 2003/71/EC (Directive of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading), pursuant to Article 100, paragraph 1, letter (a), of Italian legislative decree No. 58 of 24 February 1998 (the "**Consolidated Financial Act**") or in other circumstances where an express exemption from compliance with the restrictions to the offerings to the public applies, as provided under the Consolidated Financial Act or CONSOB regulation No. 11971/1999, and in accordance with applicable Italian laws and regulations. In any case the Class B Notes may not be offered to individuals or entities not being professional investors in accordance with the Securitisation Law. Additionally the Class B Notes may not be offered to any investor qualifying as "*cliente al dettaglio*" pursuant to CONSOB regulation No. 16190/2007.

Each of the Issuer and the Originator, under the Subscription Agreements, represents and agrees that any offer by it of the Notes of the relevant Class or Classes in the Republic of Italy shall be made only by banks, investment firms or financial companies permitted to conduct such activities in Italy in accordance with Legislative Decree No. 385 of 1 September 1993, as amended, Decree No. 58, CONSOB Regulation No. 16190 of 31 October 2007 and any other applicable laws and regulations and in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy.

In connection with the subsequent distribution of the Notes in the Republic of Italy, Article 100-*bis* of the Consolidated Financial Act requires to comply also on the secondary market with the public offering rules and disclosure requirements set forth under the Consolidated Financial Act and relevant CONSOB implementing regulations, unless the above subsequent distribution is exempted from those rules and requirements according to the Consolidated Financial Act and relevant CONSOB implementing regulations.

FRANCE

Each of the Issuer and the Originator, under the Subscription Agreements, represents and agrees that this Prospectus has not been prepared in the context of a public offering in France within the meaning of Article L.411-1 of the *Code monétaire et financier* and Title I of Book II of the *Règlement Général of the Autorité des marchés financiers* (the "**AMF**") and therefore has not been approved by, or registered or filed with the AMF. Consequently, neither this Prospectus nor any other offering material relating to the Notes has been and will be released, issued or distributed or caused to be released, issued or distributed by it to the public in France or used in connection with any offer for subscription or sale of notes to the public in France.

Each of the Issuer and the Originator, under the Subscription Agreements, will also represent and agree in connection with the initial distribution of the Notes by it that:

(i) there has been and there will be no offer or sale, directly or indirectly, of the Notes by it to the public in the Republic of France (*an appel public à l'épargne* as defined in Article L. 411-1 of the French Code monétaire et financier);

(ii) offers and sales of Notes in the Republic of France will be made in compliance with applicable laws and regulations and only to (i) qualified investors (*investisseurs qualifiés*) as

defined in Articles L. 411-2 and D. 411-1 of the French Code monétaire et financier; or (ii) a restricted circle of investors (*cercle restreint d'investisseurs*) as defined in Article L. 411-2 acting for their own account; or (iii) providers of investment services relating to portfolio management for the account of third parties as mentioned in Article L. 411-2, L. 533-16 and L. 533-20 of the *Code monétaire et financier* (together the "**Investors**").

Offers and sales of the Notes in the Republic of France will be made on the condition that (i) this Prospectus shall not be circulated or reproduced (in whole or in part) by the Investors and (ii) the Investors undertake not to transfer the Notes, directly or indirectly, to the public in France, other than in compliance with applicable laws and regulations pertaining to a public offering (and in particular Articles L.411-1, L.411-2, L.412-1 and L.621-8 of the *Code monétaire et financier*).

UNITED KINGDOM

It is represented under the Subscription Agreements that:

(i) financial promotion: any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) received by it in connection with the issue or sale of such Notes has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(ii) general compliance: there has been and there will be compliance with all applicable provisions of the FSMA with respect to anything done by it in relation to such Notes in, from or otherwise involving the United Kingdom.

GENERAL RESTRICTIONS

The Issuer and the Noteholders shall comply with all applicable laws and regulations in each jurisdiction in or which it may offer or sell Notes. Furthermore, they will not, directly or indirectly, offer, sell or deliver of any Notes or distribute or publish any prospectus, form of application, prospectus (including the Prospectus), advertisement or other offering material in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Unless otherwise herein provided, no action will be taken by them to obtain permission for public offering of the Notes in any country where action would be required for such purpose.

EEA STANDARD SELLING RESTRICTION

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**"), under the Subscription Agreements it is represented and agreed that there has not been and there will not be an offer of the Notes to the public in that Relevant Member State other than on the basis of an approved prospectus in conformity with the Prospectus Directive or:

1. to any legal entity which is a qualified investor as defined in the Prospectus Directive;

2. to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive; or

3. in any other circumstances falling within Article 3(2) of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of the Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to

enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

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 Main Securities 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.

The Issuer will elect Ireland as its Home Member State for the purpose of Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 (the "**Transparency Directive**").

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 18 November 2014.

Clearing of the Notes

The Notes have been accepted for clearance through Monte Titoli, Euroclear and Clearstream

as follows:

Class	ISIN	Common Code
Class A	IT0005072886	115764411
Class B	IT0005072894	-

Legal and arbitration proceedings

Since its incorporation, the Issuer has not been involved in any governmental, legal or arbitration proceedings which may have or may have had in the recent past, significant effects on the Issuer's financial position or profitability and, as the Issuer is aware, no such governmental, legal or arbitration proceedings are pending or threatened as at the date of this Prospectus.

Material adverse change

There has been no material adverse change, in the financial position or general affairs or prospects of the Issuer, since the date of its incorporation.

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) Intercreditor Agreement

(vi) Cash Allocation Management and Payment Agreement

(vii) Subordinated Loan Agreement

(viii) Quotaholder Agreement

(ix) Senior Notes Subscription Agreement

(x) Junior Notes Subscription Agreement

(xi) Corporate Services Agreement

(xii) Monte Titoli Mandate Agreement

(xiii) 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 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 Quarterly Settlement Report, the Payments Report, the Investor Report and the Post Trigger Report 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. 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 the Notes.

Fees and expenses

The estimated annual fees and expenses payable by the Issuer in connection with the transaction described herein amount to approximately Euro 65,000 (excluding 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 OF TERMS

The following terms are used throughout this Prospectus. In addition, other relevant terms are defined in the Rules of Organisation of the Noteholders attached as Exhibit 1 to the Conditions and in the section headed "Taxation in the Republic of Italy". Prospective investors are referred to the above sections for such additional definitions.

These and other terms used in this Prospectus are subject to, and in some cases are summaries of, the definitions of such terms set forth in the Transaction Documents, as they may be amended from time to time. Certain terms derive from the transaction documents that have been executed in the Italian language. To the extent that these terms have been translated into the English language, in the event of any discrepancy between the definitions of such terms as set forth in the Italian language transaction documents and as set forth herein, the definitions contained in such Italian language transaction documents shall prevail.

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

"**Account Bank**" means BNP Paribas Securities Services, Milan 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.

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

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

"**Adjustment**" means, in relation to each Receivable arising from a Floating Rate Lease Contract, any additional amount (if any) to be paid by (or to) the Lessee as consequence of any change in the Index Rate applicable from time to time to the Lease Contracts according to the terms thereof.

"**Affected Class**" shall have the meaning ascribed to it in Condition 8.4 (*Redemption for Taxation*).

"**Agents**" means the Paying Agent, the Computation Agent, the Account Bank, and the Cash Manager, and "**Agent**" 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, *provided that* (a) 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 and (b) the Prepayment Amount shall be equal at least to the Outstanding Amount as at the date of the early termination of the relevant Lease Contract.

"**Alba Leasing**" means Alba Leasing S.p.A.

"**Arranger**" means J.P. Morgan Securities plc.

"**Article 72**" means Article 72 of the Bankruptcy Law.

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

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

"**Back-Up Servicer**" means the entity which may be appointed by the Issuer as back-up servicer upon the occurrence of a Cash Reserve Trigger Event or upon reasonable request of the Senior Noteholders, and its permitted successors or assigns from time to time or any other person for the time being acting as back-up servicer pursuant to the Back-Up Servicing Agreement.

"**Back-Up Servicing Agreement**" means the back-up servicing agreement which may be entered

into, after the Issue Date, between the Issuer, the Servicer, the Back-Up Servicer and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained including any agreement or other document expressed to be supplemental thereto or any agreement in replacement thereof.

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

"**BNP Paribas Securities Services**" means BNP Paribas Securities Services, Milan Branch.

"**Business Day**" means any day (other than Saturday or Sunday) on which banks are open for business in Milan, Dublin and London 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 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 the Issuer, the Originator, the Servicer, the Subordinated Loan Provider, the Corporate Servicer, the Representative of the Noteholders, the Paying Agent, the Account Bank, the Cash Manager and the Computation Agent, as from time to time modified in accordance with the provisions therein contained including any agreement or other document expressed to be supplemental thereto or any agreement in replacement thereof.

"**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 Reserve Account**" means the Euro denominated account which will be held with the Account Bank or any other Eligible Institution for the deposit of the Cash Reserve Amount (if any) in accordance with the Cash Allocation Management and Payment Agreement.

"**Cash Reserve Amount**" means, upon occurrence of a Cash Reserve Trigger Event, an amount equal to Euro 10,000,000.

"**Cash Reserve Trigger Event**" means (i) one or more Trigger Events; and/or (ii) the event occurring when the Tier 1 capital (*coefficente di patrimonializzazione Tier 1*) of Alba Leasing falls below 7%.

"**Class**" means each of the Senior Notes and the Junior Notes.

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

"**Collection Account**" means the Euro denominated account, opened in the name of the Issuer with the Account Bank or any other Eligible Institution for the deposit of all the Collections.

"**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 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 Portfolio.

"**Computation Agent**" means Zenith Service S.p.A. or any other entity acting as computation agent pursuant to the Cash Allocation Management and Payment Agreement from time to time, and any of its permitted successors or transferees.

"**Condition**" means a condition of the Conditions.

"**Conditions**" means the terms and conditions of the Notes.

"**CONSOB**" means the *Commissione Nazionale per le Società e la Borsa.*

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

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

"**Corporate Servicer**" means Zenith Service S.p.A. 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.

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

"**Criteria**" means the criteria for the identification of the Receivables specified in schedule 2 (*Criteri di selezione*) of the Transfer Agreement.

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

"**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.

"**Defaulted Instalment**" means any Instalment which remains due and unpaid for more than 180 (one hundred and eighty) 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; (iv) 2 in relation to Lease Contracts which provide for four-monthly payments and (v) 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.

"**Deferred Purchase Price**" means the deferred portion of the purchase price relating to each Receivable equal to the difference (if positive), calculated on each Payment Report Date with reference to the immediately following Payment Date, between (i) the Issuer Available Funds and (ii) the sum of the amounts required to be paid under the applicable Priority of Payments in priority to such deferred purchase price, or in case such term is referred to the Portfolio, the sum of the

deferred purchase price of the Receivables comprised in the Portfolio.

"**Delinquent Instalment**" means any Instalment which remains due and unpaid for more than 30 (thirty) 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.

"**Eligible Account**" means each of the Collection Account, the Payments Account, the Cash 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 a long-term rating at least equal to "BBB+" by Standard & Poor's Rating Services, a part of McGraw Hill Financial or a rating equivalent by another recognised rating agency.

"**Eligible Investment**" means:

D. any euro denominated senior (unsubordinated) dematerialised debt securities or other debt instruments or time deposits *provided that* such investments (a) have a maturity not exceeding 3 months, (b) have a maturity not exceeding the next following Eligible Investments Maturity Date and (c) have a long-term rating at least equal to "BBB+" by Standard & Poor's Rating Services, a part of McGraw Hill Financial or a rating equivalent by another recognised rating agency; or

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

F. repurchase transactions between the Issuer and an Eligible Institution in respect of Euro denominated debt securities or other debt instruments *provided that* 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,

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

(d) 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;

(e) in any event, none of the Eligible Investments set out above may consist, in whole or in part, actually or potentially, of (i) credit-linked notes or similar claims resulting from the transfer of credit risk by means of credit derivatives nor may any amount available to the Issuer in the context of the Securitisation otherwise be invested in any such instruments at any time, or (ii) asset-backed securities, irrespective of their subordination, status or ranking, or (iii) swaps, other derivatives instruments, or synthetic securities, or (iv) any other instrument from time to time specified in the European Central Bank monetary policy regulations applicable from time to time as being instruments in which funds underlying asset-backed securities eligible as collateral for monetary policy operations sponsored by the European Central Bank may not be invested; and

(f) 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.

"**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.

"**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 17 (*Importo Recuperato in Eccesso*) 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 maintain the listing of the Senior Notes, to preserve the existence of the Issuer or to maintain it in good standing, or to comply with applicable legislation.

"**Expenses Account**" means the Euro denominated account opened in the name of the Issuer

with the Account Bank or any other account that shall replace of such account in accordance with the Cash Allocation Management and Payment Agreement.

"**Final Maturity Date**" means the Payment Date falling in December 2040.

"**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 March 2015.

"**First Settlement Date**" means the Settlement Date falling in 28 February 2015.

"**Fixed Rate Lease Contracts**" means the Lease Contracts which provide for fixed interest rate on principal due and not paid pursuant to the relevant contract.

"**Floating Rate Lease Contracts**" means the Lease Contracts which provide for floating interest rate on principal due and not paid pursuant to the relevant contract.

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

"**Further Notes**" has the meaning ascribed to such term in Condition 5.2 (*Covenants - Further Securitisations*).

"**Further Securities**" has the meaning ascribed to such term in Condition 5.2 (*Covenants - Further Securitisations*).

"**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*).

"**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*).

"**Fideiussione DK**" means any guarantee (*fideiussione*) granted to secure the Receivables pursuant to which the secured bank has undertaken to provide, upon first written demand and without any exceptions and also in the event of objection of the relevant Lessee, the payment, up to the relevant guaranteed amount, of any amount which has not paid by the Lessee, and qualified by the Originator as "*Fideiussione DK*".

"**Guarantor**" means any person, other than the Debtor, who has granted any guarantee or security in favour of 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 Purchase Price**" means the initial purchase price of each Receivable, equal to the Outstanding Principal of such Receivable, as at the Valuation Date or, in case such term is referred to the Portfolio, the sum of the initial purchase price of the Receivables comprised in the Portfolio.

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

"**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).

"**Insurance Policy**" means any existing insurance policies relating to a Lease Contract and a Receivable, including, without limitation, the policies for the coverage of the risks regarding the Assets

"**Intercreditor Agreement**" means the Intercreditor agreement entered into on or about the Issue Date between the Issuer, the Representative of the Noteholders and the Other Issuer Creditors, as from time to time modified in accordance with the provisions therein contained including any agreement or other document expressed to be supplemental thereto or any agreement in replacement thereof.

"**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 2 (two) Business Days prior to the Issue Date, and (ii) with respect to each subsequent Interest Period, the date falling 2 (two) Business Days prior to the Payment Date at the beginning of such Interest Period.

"**Interest 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 opened in the name of the Issuer in accordance with the Cash Allocation Management and Payment Agreement with the Account Bank for, *inter alia*, the deposit of all Eligible Investments.

"**Investor Report**" means the quarterly report setting out certain information with respect to the Portfolio and the Notes which shall be prepared by the Computation Agent pursuant to the Cash Allocation Management and Payments Agreement.

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

"**Irish Stock Exchange**" means the stock exchange of the Republic of Ireland.

"**Issue Date**" means 22 December 2014.

"**Issue Price**" means the 100 per cent of the principal amount of the Notes at which the Notes will be issued:

"**Issuer**" means Sunny 1 SPV S.r.l.

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

(x) all Collections received or recovered by the Servicer in respect of the Receivables during the immediately preceding Settlement Period;

(xi) 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 (including any Residual Optional Instalment);

(xii) the amount credited to the Payments Account on the immediately preceding Payment Date;

(xiii) 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;

(xiv) 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;

(xv) all the proceeds deriving from the sale (in whole or in part), if any, of the Portfolio, in accordance with the provisions of the Transaction Documents;

(xvi) 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;

(xvii) 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;

(xviii) the Cash Reserve Amount (if any), transferred from the Cash Reserve Account to the Payments Account on or prior to such Payment Date,

but excluding 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 as at the immediately preceding Payment Report Date.

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

"**Junior Notes**" or "**Class B Notes**" means the Euro 281,331,000 Class B Asset Backed Floating Rate Notes due December 2040.

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

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

"**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 form time to time.

"**Lease Contract**" means each of the financial leasing agreement, and any other related contract, deed, agreement or document, for the lease of an Asset from which the Receivables arise.

"**Convention Leases**" means any leasing granted under the convention and/or any similar agreement in order to mandate to a distributing bank to arrange and, if applicable, approve in the name and on behalf of Alba Leasing (and/or of its assignors (*dante causa*)), leasing transactions relating to, *inter alia*, the Lease Contracts (including conventions qualified as "*Presto Leasing*").

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

"**Listing Agent**" means BNP Paribas Securities Services, Luxembourg Branch 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 has been executed a Lease Convention.

"**Main Securities Market**" means the regulated market of the Irish Stock Exchange.

"**Master Definitions Agreement**" means the master definitions agreement entered into on or about the Issue Date between the Issuer and the other Transaction Parties, 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 Rating**" means (a) a short-term rating of at least "B" by Standard & Poor's Rating Services, a part of McGraw Hill Financial or a rating equivalent by another recognised rating agency and (b) a long-term rating of at least "BB+" by Standard & Poor's Rating Services, a part of McGraw Hill Financial or a rating equivalent by another recognised rating agency.

"**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.

"**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.

"**Negative Adjustment**" means in relation to each Receivable arising from a Floating Rate Lease Contract, any additional amount (if any) to be paid to the Lessee as consequence of any decrease in the Index Rate applicable from time to time to the Lease Contracts according to the terms thereof.

"**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.

"**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 the Originator, the Representative of the Noteholders, the Paying Agent, the Computation Agent, the Account Bank, the Servicer, the Subordinated Loan Provider, the Cash Manager, the Corporate Servicer, together with any other creditor of the Issuer in the context of the Securitisation following its accession to the Intercreditor Agreement (including the Back-Up Servicer).

"**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 BNP Paribas Securities Services, Milan 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 22th day of each of March, June, September and December 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 opened in the name of the Issuer with the Account Bank or any other Eligible Institution in accordance with the Cash Allocation Management and Payment Agreement.

"**Payments Report**" means the quarterly report setting out all payments to be made by the Issuer on each Payment Date and to be prepared by the Computation Agent in accordance with 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**" means the portfolio of Receivables purchased by the Issuer from the Originator.

"**Portfolio Call Option**" means the option provided for by clause 14.1 (*Opzione di Riacquisto*) and following of the Transfer Agreement and 20.3 (*Option to Repurchase the Portfolio*) of the Intercreditor Agreement pursuant to Article 1331 of the Italian Civil Code, regarding the repurchase of the Portfolio by the Originator.

"**Positive Adjustment**" means in relation to each Receivable arising from a Floating Rate Lease Contract, any additional amount (if any) to be paid by the Lessee as consequence of any increase in the Index Rate applicable from time to time to the Lease Contracts according to the terms thereof.

"**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 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 to be made by the Issuer on each Payment Date in accordance with the Cash Allocation Management and Payments Agreement.

"**Pre-Emption Right**" has the meaning ascribed to such term in clause 14.7 (*Diritto di prelazione*) and following of the Transfer Agreement and 20.1 (*Disposal of the Portfolio following the delivery of a Trigger Notice*) of the Intercreditor Agreement.

"**Pre-Enforcement Priority of Payment**s" means the order of priority of payments which shall be applied prior to the delivery of a Trigger Notice in accordance with the 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", 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.

"**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 opened in the name of the Issuer with Deutsche Bank S.p.A., in accordance with the Cash Allocation Management and Payment Agreement.

"**Quotaholder**" means Stichting SFM Italy No. 1.

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

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

"**Receivable**" means 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 at the Valuation Date, excluding any amounts falling due prior to (and excluding) the Valuation Date including without limitation:

(i) the Instalments and the relevant Adjustments (if any);

(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.

"**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 Intesa

SanPaolo S.p.A., BNP Paribas S.A. and Barclays Bank plc.

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

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

"**Representative of the Noteholders**" means Zenith Service S.p.A. or any other entity acting as representative of the Noteholders pursuant to the Subscription Agreements, the 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).

"**Retention Amount**" means an amount equal to Euro 25,000.

"**Rules of the Organisation of the Noteholders**" means the rules of the organisation of the Noteholders attached as Exhibit 1 to the 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.

"**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.

"**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.

"**Segregated Assets**" means the Portfolio, any monetary claim of the Issuer under the Transaction Documents, all cash-flows deriving from both of them and any Eligible Investments purchased therewith.

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

"**Senior Notes**" or "**Class A Notes**" means the Euro 450,000,000 Class A Asset Backed Floating Rate Notes due December 2040.

"**Senior Notes Subscription Agreement**" means the subscription agreement entered into on or about the Issue Date, between the Issuer, the Originator, the Senior Notes Underwriter, the Arranger and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained including any agreement or other document expressed to be supplemental thereto or any agreement in replacement thereof.

"**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 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 Rating, for the collection of the Receivables managed by the Servicer pursuant to the Servicing Agreement.

"**Servicer Account Bank**" means Credito Emiliano S.p.A. or any other bank having the Minimum 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 10.1 (*Eventi di revoca*) of the Servicing Agreement.

"**Servicing Agreement**" means the servicing agreement entered into on 5 December 2014 between the Issuer and the Servicer, as amended and supplemented from time to time.

"**Settlement Date**" means the First Settlement Date and thereafter the last calendar day of February, May, August and November 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).

"**Subordinated Loan**" means an amount equal to the Cash Reserve Amount, to be disbursed by the Subordinated Loan Provider to the Issuer pursuant to the Subordinated Loan Agreement upon occurrence of a Cash Reserve Trigger Event.

"**Subordinated Loan Agreement**" means the subordinated loan agreement entered into on or about the Issue Date, between the Issuer, the Subordinated Loan Provider and the Representative of the Noteholders, as from time to time modified in accordance with the provisions therein contained including any agreement or other document expressed to be supplemental thereto or any agreement in replacement thereof.

"**Subordinated Loan Provider**" means Alba Leasing, in its capacity as subordinated loan provider pursuant to the Subordinated Loan Agreement.

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

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

"**Transaction Documents**" means, collectively, the Transfer Agreement, the Warranty and Indemnity Agreement, the Servicing Agreement, the Corporate Services Agreement, the Intercreditor Agreement, the Cash Allocation Management and Payment Agreement, the Subordinated Loan Agreement, the Quotaholder Agreement, the Monte Titoli Mandate Agreement, the Senior Notes Subscription Agreement, the Junior Notes Subscription Agreement, the Master Definitions Agreement and the Conditions and any other agreement, deed, or document entered into in the context of the Securitisation identified by the relevant parties as a "**Transaction Document**".

"**Transaction Parties**" means, collectively, the Issuer, the Arranger, the Representative of the Noteholders, the Originator, the Servicer, the Corporate Servicer, the Account Bank, the Cash Manager, the Subordinated Loan Provider, the Paying Agent, the Computation Agent, the Quotaholder, together with other parties to any other Transaction Document executed after the Issue Date in the context of the Securitisation (including the Back-Up Servicer).

"**Transfer Agreement**" means the transfer agreement entered into on 5 December 2014, as amended on or about the Issue Date, between the Issuer and the Originator, as amended and supplemented from time to time.

"**Transfer Date**" means 5 December 2014.

"**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*).

"**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 3 November 2014.

"**Warranty and Indemnity Agreement**" means the warranty and indemnity agreement entered into on 5 December 2014 between the Originator and the Issuer, as amended and supplemented from time to time.

ISSUER
Sunny 1 SPV S.r.l.
Via Gustavo Fara, 26
20121 Milan
Italy

ORIGINATOR - SERVICER - CASH MANAGER - SUBORDINATED LOAN PROVIDER
Alba Leasing S.p.A.
Via Sile, 18
20139 Milan
Italy

REPRESENTATIVE OF THE NOTEHOLDERS - CORPORATE SERVICER
COMPUTATION AGENT
Zenith Service S.p.A.
Via Gustavo Fara, 26
20121 Milan
Italy

ACCOUNT BANK - PAYING AGENT
BNP Paribas Securities Services, Milan Branch
Via Ansperto, 5
20123 Milan
Italy

LISTING AGENT
BNP Paribas Securities Services, Luxembourg Branch
33, Rue de Gasperich
L-5826 Hesperange
Luxembourg

ARRANGER
J.P. Morgan Securities plc
25 Bank Street, Canary Wharf
London, E14 5JP
United Kingdom

LEGAL ADVISER TO THE ARRANGER

Bonelli Erede Pappalardo
Via Salaria, 259
00199 Rome
Italy