

**OFFERING CIRCULAR SUPPLEMENT
BCC MORTGAGES PLC**

(incorporated with limited liability under the laws of Ireland)

Euro 996,050,000 Class A Secured Floating Rate Investor Notes due March 2038 - Issue Price: 100%

Euro 42,400,000 Class B Secured Floating Rate Investor Notes due March 2038 - Issue Price: 100%

*Application has been made to list and admit to trading the Euro 996,050,000 Class A Secured Floating Rate Investor Notes due March 2038 (the "**Class A Investor Notes**") and the Euro 42,400,000 Class B Secured Floating Rate Investor Notes due March 2038 (the "**Class B Investor Notes**") and together with the Class A Investor Notes the "**Investor Notes**") of BCC Mortgages PLC, a public limited liability company organised under the laws of Ireland (the "**Investor Note Issuer**"), on the regulated market of the Luxembourg Stock Exchange.*

*Application has been made to the Commission de Surveillance du Secteur Financier - Luxembourg Financial and Market Authorities in its capacity as competent authority under the Luxembourg Act relating to Prospectuses for securities (Loi relative aux Prospectus pour valeurs mobilières) to approve this offering circular supplement (the "**Offering Circular Supplement**").*

*This Offering Circular Supplement constitutes a supplement within the meaning of article 13.1 of the Luxembourg law of 10 July 2005, implementing the Directive 2003/71/EC of the European Parliament and of the European Council of 4 November 2003 and is supplemental to, and should be read in conjunction with, the offering circular of the Investor Note Issuer dated 9 June 2006 (the "**Offering Circular**"). To the extent that there is any inconsistency between (a) any statement in this Offering Circular Supplement or any statement incorporated by reference into the Offering Circular by this Offering Circular Supplement and (b) any other statement in or incorporated by reference in the Offering Circular, the statements in (a) above will prevail. Capitalised terms used but not otherwise defined in this Offering Circular Supplement shall have the meanings ascribed thereto in the Offering Circular.*

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

ARRANGERS

ICCREA Banca

**Société Générale Corporate
& Investment Banking**

Cassa Centrale

LEAD MANAGER AND SOLE BOOK RUNNER

**Société Générale Corporate
& Investment Banking**

CO-MANAGERS

ICCREA Banca

Dexia Capital Markets

Cassa Centrale

Dated 16 June 2006

Investor Note Issuer: *The Investor Note Issuer accepts responsibility for the information contained in this Offering Circular Supplement, other than that information for which the Intermediate Note Issuers accept responsibility as described in the following paragraphs. To the best of the knowledge of the Investor Note Issuer (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.*

Intermediate Note Issuers: *Each of the Intermediate Note Issuers accepts responsibility for the information contained in this Offering Circular Supplement, in the relevant parts of the section headed "Information Regarding the Intermediate Note Issuers" and any other information contained in this Offering Circular Supplement relating to itself. To the best of the knowledge of each of the Intermediate Note Issuers (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.*

No Person has been authorised to give any information or to make any representation not contained in this Offering Circular Supplement and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Investor Note Issuer, the Intermediate Note Issuers, each of the Originators (in any capacity), the Lead Manager, the Co-Arrangers, the Co-Managers or any other party to the Transaction Documents. Neither the delivery of this Offering Circular Supplement nor the offering, sale or delivery of any Investor Notes shall, under any circumstances, constitute a representation or create any implication that there has been no change, or any event reasonably likely to involve any change, in the condition (financial or otherwise) of the Investor Note Issuer, the Intermediate Note Issuers or the Originators or the information contained herein since the date of this Offering Circular Supplement or that the information contained herein is correct as at any time subsequent to the date of this Offering Circular Supplement.

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

Neither this document nor any other information supplied in connection with the issue of the Investor Notes should be considered as a recommendation or as constituting an invitation or offer by the Investor Note Issuer, the Lead Manager or the Co-Managers that any recipient of this Offering Circular Supplement, or of any other information supplied in connection with the issue of the Investor Notes, should purchase any of the Investor Notes. Each investor contemplating purchasing any of the Investor Notes must make its own independent investigation and appraisal of the financial condition and affairs of the Investor Note Issuer.

The purpose of this Offering Circular Supplement is to reflect the following changes to the information contained in the Offering Circular at the page references indicated below.

This Offering Circular Supplement will be available to the public during usual business hours at the registered offices of the Luxembourg Paying Agent and the Investor Note Principal Paying Agent at any time after the date of this Offering Circular Supplement, and will be published on the Luxembourg Stock Exchange website (www.bourse.lu).

1. FRONT COVER

- 1.1 Dexia Capital Markets is deleted from the front cover of the Offering Circular under the heading "Arrangers".
- 1.2 ICCREA Banca, Dexia Capital Markets and Cassa Centrale are each added to the front cover of the Offering Circular under a new heading "Co-Managers" which shall be inserted immediately below "Société Générale Corporate and Investment Banking" in its capacity as "Lead Manager and Sole Book Runner".

2. PAGE 3

- 2.1 The fourth paragraph on page 3 of the Offering Circular is amended by the insertion of the words ", the Co-Managers" after the words "the Co-Arrangers" on the first line of that paragraph and by the insertion of the words ", the Co-Managers" after the words "the Investor Note Issuer" on the fifth line of that paragraph.
- 2.2 The fifth paragraph on page 3 of the Offering Circular is amended by the insertion of the words ", the Co-Managers" after the words "the Co-Arrangers".
- 2.3 The sixth paragraph on page 3 of the Offering Circular is amended by the insertion of the words ", the Co-Managers" after the words "the Co-Arrangers".

3. RISK FACTORS

- 3.1 Paragraph 1.3 on page 10 of the Offering Circular is amended by the insertion of the words ", the Co-Managers" after the words "the Co-Arrangers".
- 3.2 Paragraph 2.1 on page 13 of the Offering Circular is amended by the insertion of the words ", the Co-Managers" after the words "the Co-Arrangers".
- 3.3 Paragraph 2.7 on page 15 of the Offering Circular is amended by the insertion of the words ", the Co-Managers" after the words "the Co-Arrangers".

4. THE PRINCIPAL PARTIES

- 4.1 The definition of the Co-Arrangers on page 28 of the Offering Circular is replaced in its entirety with the following:

"CO-ARRANGERS **Société Générale Corporate & Investment Banking** whose registered office is at 41 Tower Hill, London EC3N 4SG, United Kingdom, **Cassa Centrale** and **ICCREA Banca.**"

- 4.2 A new definition of "Co-Managers" is inserted on page 28 of the Offering Circular as follows:

"CO-MANAGERS **Dexia Capital Markets** whose registered office is at Boulevard Pachéco 44, 1000 Bruxelles, **Cassa Centrale** and **ICCREA Banca.**"

5. INFORMATION REGARDING THE INTERMEDIATE NOTE ISSUERS

5.1 The CF Intermediate Note Issuer

Paragraph 1.7 (Auditors' Report) on pages 91 and 92 of the Offering Circular is replaced in its entirety with the following:

"1.7 Independent Auditor's Report

To the quotabolders of
Credico Finance 6 S.r.l.

We have audited the interim balance sheet of Credico Finance 6 S.r.l. (the "Company") as of April 30, 2006 and the related interim statement of loss, cash flows and shareholders' equity for the period from the date of incorporation on February 3, 2006 to April 30, 2006. These interim financial statements are the responsibility of the Company's sole director. Our responsibility is to express an opinion on these interim financial statements based on our audit. These interim financial statements have been prepared for the purpose of their inclusion in the offering circular prepared by BCC Mortgages Plc for the issue of certain secured floating rate notes due March 2038.

We conducted our audit in accordance with auditing standards generally accepted in Italy. Those standards and procedures require that we plan and perform the audit to obtain reasonable assurance about whether the interim financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the interim financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provide a reasonable basis for our opinion.

In our opinion, the interim financial statements referred to above, present clearly and give a true and fair view of the financial position of the Company as of April 30, 2006, and the results of its operations and its cash flows for the period from the date of its incorporation on February 3, 2006 to April 30, 2006, in accordance with International Financial Reporting Standards as adopted by the European Union.

Rome, Italy June 15, 2006

Reconta Ernst & Young S.p.A.

Credico Finance 6 S.r.l.

**Balance Sheet
as at April, 30th 2006**

<i>Assets</i>	<i>euro</i>
Other liabilities	3.031
<i>Quotaholders' Equity</i>	
Loss for the period	(3.031)
Total Quotaholders' Equity	(3.031)
Total Liabilities and Quotaholders' Equity	0

**Statement of Loss
for the period from the date of formation on February 3rd, 2006 to April 30th, 2006**

Administrative expenses	1.321
Other management expenses	1.710
Loss for the period	3.031

**Notes to Financial Statements
dated as at April, 30th 2006 and for the period from the date of its formation on February 3rd,
2006 to April, 30th 2006**

The financial statements of the CF Intermediate Note Issuer consist of the balance sheet as at April 30th, 2006 and of the statement of loss for the period from the date of its formation on February 3rd, 2006 to April 30th, 2006. The capital of CF Intermediate Note Issuer is owned by Stichting Melograno 3 (50% of the quotas) and by Stichting Melogrando 4 (50% of the quotas).

Pursuant to the regulations issued by the Bank of Italy on 22 March 2000, securitisation transactions of loan receivables are to be accounted for by the CF Intermediate Note Issuer as off-balance sheet assets and liabilities, costs and revenues, and the accounting information relating to the securitisation of loan receivables will be reported by Credico Finance 6 S.r.l. in the explanatory notes to its financial statements composed of balance sheet and statement of loss.

Credico Finance 6 S.r.l. has not carried out any credit securitisation or trading operations nor has it reported any income. In addition, the CF Intermediate Note Issuer has incurred certain costs for its incorporation, which have been capitalized as deferred organisation costs, and other costs represented by taxes on legalisation of corporate books, other services and commissions which have been recorded as other management expenses in the statement of loss for the period from the date of its formation, on 3 February 2006 to April 30th, 2006."

5.2 The CC Intermediate Note Issuer

Paragraph 2.7 (Auditors' Report) on pages 97 and 98 of the Offering Circular is replaced in its entirety with the following:

"2.7 Independent Auditor's Report

To the quotaholders of
Cassa Centrale Finance S.r.l.

We have audited the interim balance sheet of Cassa Centrale Finance S.r.l. (the "Company") as of April 30, 2006 and the related interim statement of loss, cash flows and shareholders' equity for the period from the date of incorporation on February 10, 2006 to April 30, 2006. These interim financial statements are the responsibility of the Company's sole director. Our responsibility is to express an opinion on these interim financial statements based on our audit. These interim financial statements have been prepared for the purpose of their inclusion in the offering circular prepared by BCC Mortgages Plc for the issue of certain secured floating rate notes due March 2038.

We conducted our audit in accordance with auditing standards generally accepted in Italy. Those standards and procedures require that we plan and perform the audit to obtain reasonable assurance about whether the interim financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the interim financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provide a reasonable basis for our opinion.

In our opinion, the interim financial statements referred to above, present clearly and give a true and fair view of the financial position of the Company as of April 30, 2006, and the results of its operations and its cash flows for the period from the date of its incorporation on February 10, 2006 to April 30, 2006, in accordance with International Financial Reporting Standards as adopted by the European Union.

Rome, Italy June 15, 2006

Reconta Ernst & Young S.p.A.

Cassa Centrale Finance S.r.l.

**Balance Sheet
as at April, 30th 2006**

<i>Assets</i>	<i>euro</i>
Other liabilities	3.031
<i>Quotaholders' Equity</i>	
Loss for the period	(3.031)
Total Quotaholders' Equity	(3.031)
Total Liabilities and Quotaholders' Equity	0

Statement of Loss
for the period from the date of formation on February 10th to 2006 to April 30th, 2006

Administrative expenses	1.321
Other management expenses	1.710
Loss for the period	3.031

Notes to Financial Statements
dated as at April, 30th 2006 and for the period from the date of its formation on February 10th, 2006 to April, 30th 2006

The financial statements of the CC Intermediate Note Issuer consist of the balance sheet as at April 30th, 2006 and of the statement of loss for the period from the date of its formation on 10 February 2006 to April 30th, 2006. The capital of CC Intermediate Note Issuer is owned by Stichting Tridentum (100% of the quotas).

Pursuant to the regulations issued by the Bank of Italy on 22 March 2000, securitisation transactions of loan receivables are to be accounted for by the Issuer as off-balance sheet assets and liabilities, costs and revenues, and the accounting information relating to the securitisation of loan receivables will be reported by Cassa Centrale Finance S.r.l. in the explanatory notes to its financial statements composed of balance sheet and statement of loss.

Cassa Centrale Finance S.r.l. has not carried out any credit securitisation or trading operations nor has it reported any income. In addition, the CC Intermediate Note Issuer has incurred certain costs for its incorporation, which have been capitalized as deferred organisation costs, and other costs represented by taxes on legalisation of corporate books, other services and commissions which have been recorded as other management expenses in the statement of loss for the period from the date of its formation, on 10 February 2006 to April 30th, 2006."

6. GLOSSARY OF TERMS

6.1 The definition of "Co-Arrangers" on page 279 of the Offering Circular is replaced in its entirety with the following:

""**Co-Arrangers**" means Société Générale Corporate & Investment Banking, Cassa Centrale and ICCREA Banca."

6.2 A new definition of "Co-Managers" is inserted on page 279 of the Offering Circular as follows:

""**Co-Managers**" means Dexia Capital Markets, Cassa Centrale and ICCREA Banca."

THE INVESTOR NOTE ISSUER
BCC Mortgages PLC
Trinity House, Charleston Road, Ranelagh
Dublin 6, Ireland

THE INTERMEDIATE NOTE ISSUERS

Credico Finance 6 S.r.l.
Largo Chigi 5
00197 Rome, Italy

Cassa Centrale Finance S.r.l.
via Segatini 5
38100 Trento, Italy

**THE CF ORIGINATORS – SERVICERS - LIQUIDITY PROVIDERS and SUBORDINATED
LOAN PROVIDERS**

**Banca di Credito Cooperativo dell'Alta
Brianza Alzate Brianza Società Cooperativa**
via IV Novembre 51
Alzate Brianza, Italy

**Banca di Credito Cooperativo dell'AltoReno
Società Cooperativa**
Piazza Marconi 8
40042 Lizzano in Belvedere (BO), Italy

Bancasciano Credito Cooperativo Soc. Coop.
C.so Matteotti 1/S
53041 Asciano (SI), Italy

**Banca di Credito Cooperativo della Bassa
Friulana, Società Cooperativa**
via Udine 70/A
Castions di Strada, Udine, Italy

Credito Cooperativo Bolognese Credibo S.C.
via Calzoni Alfredo 1/3
40128 Bologna, Italy

**Cassa Rurale ed Artigiana di
Brendola Credito - Cooperativo
Società Cooperativa**
Piazza del Mercato 15/20
36040 Brendola, Italy

**Banca di Credito Cooperativo di
Campiglia dei Berici Società Cooperativa**
via Nazionale 2
36020 Campiglia dei Berici (VI), Italy

**Cassa Rurale ed Artigiana di Cantù Banca di
Credito Cooperativo Società Cooperativa**
C.so Unità d'Italia n. 11
22063 Cantù, (CO) Italy

**Banca di Credito Cooperativo di Cartura
SCRL**
via Roma 15
35025 Cartura (PD), Italy

**Banca San Giorgio e Valle Agno Credito
Cooperativo di Fara Vicentino**
via Perlina 78 (fraz. San Giorgio di Perlina)
Fara Vicentino, Italy

**Banca di Credito Cooperativo di Fiumicello
ed Aiello del Friuli Società Cooperativa**
via Gramsci 12
33050 Fiumicello, Italy

**Credito Trevigiano Banca di Credito
Cooperativo Società Cooperativa**
via Roma 15
Vedelago (TV), Italy

**Banca Suasa - Credito Cooperativo –
Società Cooperativa**
via Vittorio Emanuele 1,
Mondavio Frazione San Michele al Fiume
61040 Mondavio (PU) Italy

**Banca di Credito Cooperativo di Signa Società
Cooperativa**
Piazza Michelacci 6
Signa (FI), Italy

**Banca di Credito Cooperativo
di Sesto San Giovanni Società Cooperativa**
via Benedetto Croce 5
20099 Sesto San Giovanni, Milan, Italy

**Banca di Credito Cooperativo
di Pratola Peligna Società Cooperativa**
via Gramsci n. 136
Pratola Peligna, Italy

Banca Credito Cooperativo Pordenonese via
Trento n.1
33082 Azzano Decimo (PN), Italy

**Banca di Credito Cooperativo di Pergola
Società Cooperativa**
Viale Martiri della Libertà n. 46/B
61045 Pergola, Italy

**Banca di Credito Cooperativo di Ostra e
Morro d'Alba**
via Mazzini 93
Ostra (AN), Italy

**Banca Monteriggioni Credito Cooperativo Soc.
Coop.**
via Cassia Nord n. 2/4/6
Monteriggioni (SI), Italy

**Banca di Monastier e del Sile - Credito
Cooperativo Società Cooperativa**
via V. Emanuele,
1-61040, Frazione San Michele al Fiume (PS),
Italy

**Banca di Credito Cooperativo del Metauro
Società Cooperativa**
via G. Matteotti 4
61038 Orciano di Pesaro (PU), Italy

**Banca della Marca - Credito Cooperativo -
Società Cooperativa**
via G. Garibaldi 46
31010 Orsago (TV), Italy

Banca di Credito Cooperativo di Macerone
via Cesenatico 5699
Cesena (FC), Italy

**Banca di Credito Cooperativo
di Gaudio di Lavello Soc. Cooperativa**
C.so G. Fortunato, 48/50
85024 Lavello (PZ), Italy

THE CC ORIGINATORS – SERVICERS - LIQUIDITY PROVIDERS and SUBORDINATED LOAN PROVIDERS

**Cassa Rurale Alto Garda B.C.C.
Società Cooperativa**
Viale delle Magnolie 1
Arco, Italy,

**Banca Alto Vicentino Credito Cooperativo Sepa
– Schio**
via Pista dei Veneti 14
36015 Schio (VI), Italy

Cassa Rurale di Bolzano, Società Cooperativa
via De Lai 2
39100 Bolzano, Italy

**Banca Di Credito Cooperativo Di Marcon –
Venezia, Società Cooperativa**
Piazza Municipio 22
30020 Marcon (VE), Italy

**Cassa Rurale di Lavis – Valle di Cembra,
Banca di Credito Cooperativo, Società
Cooperativa**
via Rosmini 61
Lavis (TN), Italy

**Cassa Rurale di Folgaria, Banca di Credito
Cooperativo, Società Cooperativa**
Pizza San Lorenzo 47
38064 Folgaria (TN), Italy

**Banca di Cavola e Sassuolo Credito
Cooperativo**
via Verdi 1
42010 Cavola di Toano Re, Italy

**Cassa Rurale di Folgaria, Banca di Credito
Cooperativo, Società Cooperativa**
P.zza San Lorenzo 47
38064 Folgaria (TN), Italy

**Cassa Rurale di Lavis – Valle di Cembra,
Banca di Credito Cooperativo, Società
Cooperativa**
via Rosmini 61
Lavis (TN), Italy

**Banca di Credito Cooperativo del Veneziano,
Società Cooperativa**
via Villa 147,
30010 Campolongo Maggiore (VE), Italy,

**Cassa Rurale Giudicarie ValSabbia Paganella,
Banca di Credito Cooperativo,
Società Cooperativa**
via Marini 33
Storo frazione Darzo, Italy

**Cassa Rurale della Valle dei Laghi, Banca di
Credito Cooperativo, Società Cooperativa**
via Nazionale 7
Padergnone (TN), Italy

**Cassa Rurale Val di Fassa Agordino,
Banca di Credito**
Piazza C. Battisti 1
38035 Moena (TN), Italy

**Cassa Rurale di Tione Ragoli e Montagne,
Banca di Credito Cooperativo,
Società Cooperativa**
via 3 Novembre 20
38079 Tione di Trento (TN), Italy

**Cassa Rurale di Rovereto, Banca di Credito
Cooperativo, Società Cooperativa**
via Manzoni 1
38068 Rovereto (TN), Italy

**Banca di Crediti Cooperativo delle Prealpi,
Società Cooperativa**
via Roma 57
31020 Tarzo (TV), Italy

**Cassa Rurale Pinetana Fornace e Serenano,
Banca di Credito Cooperativo,
Società Cooperativa**
via C. Battisti 17
38042 Baselga di Pinè (TN), Italy

**Cassa Rurale di Pergine, Banco di Credito
Cooperativo, Società Cooperativa**
Piazza Gavazzi 5
38057 Pergine Valsugana (TN), Italy

**Cassa Rurale Mezzolombardo e San Michele
dell'Adige, Banca di Credito Cooperativo,
Società Cooperativa**
Corso del Popolo 22
Mezzolombardo (TN), Italy

**Cassa Rurale Mezzocorona, Banca di Credito
Cooperativo, Società Cooperativa**
via Cavallegeri 19
38016 Mezzocorona (TN), Italy

**Banca Di Credito Cooperativo Di Marcon –
Venezia, Società Cooperativa**
Piazza Municipio 22
30020 Marcon (VE), Italy

CC BACKUP SERVICER - CC OPERATING BANK and CC PLACEMENT AGENT
Cassa Centrale delle Casse Rurali Trentine – BCC Nord Est. S.p.A
via Segantini 5
38100 Trento, Italy

CF BACKUP SERVICER - CF OPERATING BANK and CF PLACEMENT AGENT
ICCREA Banca S.p.A. – Istituto Centrale del Credito Cooperativo
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00178 Rome, Italy

**INVESTOR NOTE TRUSTEE - REPRESENTATIVE OF THE NOTEHOLDERS and
INTERMEDIATE NOTE SECURITY TRUSTEE**

Deutsche Trustee Company Limited
Winchester House, 1 Great Winchester Street
London EC2N 2DB, United Kingdom

**INTERMEDIATE NOTE ENGLISH TRANSACTION BANK - INTERMEDIATE NOTE
COMPUTATION AGENT - INTERMEDIATE NOTE AGENT BANK- INTERMEDIATE NOTE
CASH MANAGER - INTERMEDIATE NOTE PRINCIPAL PAYING AGENT – INVESTOR
NOTE CUSTODIAN - INVESTOR NOTE AGENT BANK and INVESTOR NOTE PRINCIPAL
PAYING AGENT**

Deutsche Bank AG, London Branch
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London EC2N 2DB, United Kingdom

**INTERMEDIATE NOTE TRANSACTION BANK - INVESTOR NOTE CUSTODIAN and
INTERMEDIATE NOTE ITALIAN PAYING AGENT**

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20126 Milan, Italy

CORPORATE SERVICES PROVIDER

FIS Fiduciaria Generale S.p.A.
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CF SWAP COUNTERPARTY

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29 boulevard Haussmann 75009
Paris, France

CC SWAP COUNTERPARTY

Société Générale
29 boulevard Haussmann 75009
Paris, France

LEGAL ADVISORS

**TO THE ARRANGERS AS TO ITALIAN
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LAW**

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20122 Milan, Italy

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**TO THE INVESTOR NOTE TRUSTEE -
INVESTOR NOTE AGENT BANK and
INVESTOR NOTE PRINCIPAL PAYING
AGENT**

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Tower 42, Level 35
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Via Visconti di Modrone 12
20122 Milan, Italy

TO THE ORIGINATORS

Studio Legale d'Ercole
Largo del Teatro Valle 6
00186 Rome (Italy)

AUDITORS

TO THE INTERMEDIATE NOTE ISSUERS

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Rome, Italy

TO THE INVESTOR NOTE ISSUER

BDO Simpson Xavier
Beaux Lane House, Mercer Street
Lower Dublin 2, Ireland

OFFERING CIRCULAR

BCC MORTGAGES PLC

(incorporated with limited liability under the laws of Ireland)

Euro 996,050,000 Class A Secured Floating Rate Investor Notes due March 2038 - Issue Price: 100% **Euro 42,400,000 Class B Secured Floating Rate Investor Notes due March 2038 - Issue Price: 100%**

Application has been made to list and admit to trading the Euro 996,050,000 Class A Secured Floating Rate Investor Notes due March 2038 (the "Class A Investor Notes") and the Euro 42,400,000 Class B Secured Floating Rate Investor Notes due March 2038 (the "Class B Investor Notes" and together with the Class A Investor Notes the "Investor Notes") of BCC Mortgages PLC, a public limited liability company organised under the laws of Ireland (the "Investor Note Issuer"), on the regulated market of the Luxembourg Stock Exchange.

Application has been made to the Commission de Surveillance du Secteur Financier - Luxembourg Financial and Market Authorities in its capacity as competent authority under the Luxembourg Act relating to Prospectuses for securities (Loi relative aux Prospectus pour valeurs mobilières) to approve this offering circular (the "Offering Circular").

This Offering Circular constitutes a prospectus within the meaning of article 8 of the Luxembourg law of 10 July 2005, implementing the Directive 2003/71/EC of the European Parliament and of the European Council of 4 November 2003.

The net proceeds of the offering of the Investor Notes will be applied by the Investor Note Issuer to fund the purchase of (i) Euro 563,985,000 Class A Asset Backed Floating Rate Notes due March 2038 and Euro 24,000,000 Class B Asset Backed Notes due March 2038 (the "Class A CF Intermediate Notes" and the "Class B CF Intermediate Notes", respectively, and together the "CF Intermediate Notes") issued by Credico Finance 6 S.r.l. (the "CF Intermediate Note Issuer") and (ii) Euro 432,065,000 Class A Asset Backed Floating Rate Notes due March 2038 and Euro 18,400,000 Class B Asset Backed Floating Rate Notes due March 2038 (the "Class A CC Intermediate Notes" and the "Class B CC Intermediate Notes", respectively and together the "CC Intermediate Notes" issued by Cassa Centrale Finance S.r.l. (the "CC Intermediate Note Issuer" and, together with the CF Intermediate Note Issuer, the "Intermediate Note Issuers"). The CF Intermediate Notes and the CC Intermediate Notes are referred to together herein as the "Intermediate Notes". The CF Intermediate Notes relate to and are secured on portfolios of monetary claims (the "CF Portfolios" and the "CF Claims", respectively) arising under residential and commercial mortgage loans executed by twenty-five banks in the ICCREA Banca S.p.A. banking group as described further below. The CF Portfolios have been purchased by the CF Intermediate Note Issuer under the terms of twenty-five transfer agreements as between the CF Intermediate Note Issuer and each CF Originator (as defined below) pursuant to Law 130 on 31 May 2006 (each a "CF Transfer Agreement" and collectively the "CF Transfer Agreements"). The CC Intermediate Notes relate to and are secured on portfolios of monetary claims (the "CC Portfolios" and, together with the CF Portfolios, the "Portfolios") and the "CC Claims" (and, together with the CF Claims, the "Claims") respectively arising under residential and commercial mortgage loans executed by eighteen banks in the Cassa Centrale group as described further below. The CC Portfolios have been purchased by the CC Intermediate Note Issuer under the terms of eighteen transfer agreements as between the CC Intermediate Note Issuer and each CC Originator (as defined below) pursuant to Law 130 on 31 May 2006 each a "CC Transfer Agreement" and collectively the "CC Transfer Agreements" (and, together with the CF Transfer Agreements, the "Intermediate Note Transfer Agreements"). The principal source of payment of interest and repayment of principal on the Investor Notes will be receipts of interest and principal payments paid in respect of the Intermediate Notes which in turn rely on collections and recoveries made from or in respect of the Portfolios.

Calculations as to the expected average life of the Investor Notes can be made based on certain assumptions as set out in the section "Weighted Average Life of the Investor Notes". However, there is no certainty that the holders of the Investor Notes will receive their full principal outstanding and all the interest accrued thereon and ultimately the obligations of the Investor Note Issuer to pay principal and interest on the Investor Notes could be reduced as a result of losses incurred in respect of the Intermediate Notes. If the Investor Notes cannot be redeemed in full on the Investor Note Final Maturity Date, as a result of the Investor Note Issuer having insufficient funds available to it in accordance with the Investor Note Conditions for application in or towards such redemption, the Investor Note Issuer will have no other funds available to it to be paid to the Noteholders, as the Investor Note Issuer has no assets other than those described in this Offering Circular.

The Investor Notes will be subject to mandatory pro-rata redemption in whole or in part on each Payment Date to the extent of receipt of principal payments on the Intermediate Notes. Unless previously redeemed in accordance with their applicable terms and conditions (the "Investor Note Conditions"), the Investor Notes will be redeemed on the Payment Date falling in March 2038 (the "Investor Note Final Maturity Date"). The Investor Notes of each Class will be redeemed in the manner specified in Investor Note Condition 6 (Redemption, Purchase and Cancellation).

Interest on the Investor Notes will accrue from the Investor Note Issue Date and will be payable on 12 December, 2006 (the "First Payment Date") and thereafter quarterly in arrears on 12 March, 12 June, 12 September, and 12 December in each year (each a "Payment Date") or if any such day is not a day (other than a Saturday or a Sunday) on which banks are open for business in London, Milan and Luxembourg and on which the Trans-European Automated Real Time Gross Transfer System (or any successor thereto) is open (a "Business Day") the following Business Day. The Investor Notes will bear interest 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 Investor Note Issue Date and end on (but exclude) the First Payment Date. The Investor Notes shall bear interest at EURIBOR for three month deposits in Euro (or in the case of the Initial Interest Period, the linear interpolation between EURIBOR for 6 month and 7 month deposits in Euro plus 0.16% per annum in respect of the Class A Investor Notes and 0.46% per annum in respect of the Class B Investor Notes.

The Class A Investor Notes are expected, on issue, to be rated Aaa by Moody's Investors Service ("Moody's") and AAA by Standard & Poor's Rating Services, a division of the McGraw-Hill Companies Inc. ("S&P"). The Class B Investor Notes are expected, on issue, to be rated A1 by Moody's and A by S&P. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal by the assigning rating organisation.

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

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

All payments of principal and interest on the Investor Notes will be made free and clear of any withholding or deduction for or on account of any present or future taxes, duties or charges of whatever kind or any other withholding or deduction required to be made by any applicable law, unless the Investor Note Issuer is required by any applicable law to make such a withholding or deduction. If any withholding tax is applicable to the Investor Notes, payments of interest on, and principal of the Investor Notes will be made subject to such withholding tax, without the Investor Note Issuer or any other Person being obliged to pay any additional amounts to any Noteholder of any Class as a consequence.

ARRANGERS

ICCREA Banca

Société Générale Corporate
& Investment Banking

Cassa Centrale

DEXIA Capital Markets

LEAD MANAGER AND SOLE BOOK RUNNER

Société Générale Corporate
& Investment Banking

Dated 9 June 2006

The CF Portfolios and the CF Claims arise under residential and commercial mortgage loans executed by Banca di Credito Cooperativo dell'Alta Brianza - Alzate Brianza - Società Cooperativa ("**BCC Alta Brianza Alzate Brianza**"), Banca di Credito Cooperativo dell'Alto Reno-Società Cooperativa ("**BCC Alto Reno**"), Bancasciano Credito Cooperativo Soc. Coop. ("**BCC Asciano**"), Banca di Credito Cooperativo della Bassa Friulana Società Cooperativa ("**BCC Bassa Friulana**"), Credito Cooperativo Bolognese – Credibo – S.C. ("**BCC Bolognese**"), Cassa Rurale ed Artigiana di Brendola Credito Cooperativo - Società Cooperativa ("**BCC Brendola**"), Banca di Credito Cooperativo di Campiglia dei Berici Società Cooperativa ("**BCC Campiglia dei Berici**"), Cassa Rurale ed Artigiana di Cantù Banca di Credito Cooperativo Soc. Coop. ("**BCC Cantù**"), Banca di Credito Cooperativo di Cartura SCRL ("**BCC Cartura**"), Banca San Giorgio e Valle Agno Credito Cooperativo di Fara Vicentino ("**BCC San Giorgio**"), Banca di Credito Cooperativo di Fiumicello ed Aiello del Friuli Società Cooperativa ("**BCC Fiumicello ed Aiello del Friuli**"), Banca di Credito Cooperativo di Gaudio di Lavello Soc. Cooperativa ("**BCC Gaudio di Lavello**"), Banca di Credito Cooperativo di Macerone Società Cooperativa ("**BCC Macerone**"), Banca della Marca - Credito Cooperativo - Società Cooperativa ("**BCC Marca**"), Banca di Credito Cooperativo del Metauro Società Cooperativa ("**BCC Metauro**"), Banca di Monastier e del Sile - Credito Cooperativo Società Cooperativa ("**BCC Monastier e del Sile**"), Banca Monteriggioni Credito Cooperativo Soc. Coop. ("**BCC Monteriggioni**"), Banca di Credito Cooperativo di Ostra e Morro d'Alba S. Coop. ("**BCC Ostra e Morro d'Alba**"), Banca di Credito Cooperativo di Pergola - Società Cooperativa ("**BCC Pergola**"), Banca Credito Cooperativo Pordenonese ("**BCC Pordenonese**"), Banca di Credito Cooperativo di Pratola Peligna Società Cooperativa ("**BCC Pratola Peligna**"), Banca di Credito Cooperativo di Sesto San Giovanni Società Cooperativa ("**BCC Sesto San Giovanni**"), Banca di Credito Cooperativo di Signa Società Cooperativa ("**BCC Signa**"), Banca Suasa - Credito Cooperativo - Società Cooperativa ("**BCC Suasa**") and Credito Trevigiano Banca di Credito Cooperativo Società Cooperativa ("**BCC Trevigiano**") and together with BCC Alta Brianza Alzate Brianza, BCC Alto Reno, BCC Asciano, BCC Bassa Friulana, BCC Bolognese, BCC Brendola, BCC Campiglia dei Berici, BCC Cantù, BCC Cartura, BCC San Giorgio, BCC Fiumicello ed Aiello del Friuli, BCC Gaudio di Lavello, BCC Macerone, BCC Marca, BCC Metauro, BCC Monastier e del Sile, BCC Monteriggioni, BCC Ostra e Morro d'Alba, BCC Pergola, BCC Pordenonese, BCC Pratola Peligna, BCC Sesto San Giovanni, BCC Signa and BCC Suasa, collectively the "**CF Originators**" and each a "**CF Originator**".

The CC Portfolios and the CC Claims arise under residential and commercial mortgage loans executed by Cassa Rurale Alto Garda BCC Società Cooperativa ("**BCC Alto Garda**"), Banca Alto Vicentino Credito Cooperativo Scpa-Schio ("**BCC Alto Vicentino**"), Cassa Rurale di Bolzano Società Cooperativa ("**BCC Bolzano**"), Banca di Cavola e Sassuolo Credito Cooperativo ("**BCC Cavola e Sassuolo**"), Cassa Rurale di Folgaria, Banca di Credito Cooperativo, Società Cooperativa ("**BCC Folgaria**"), Cassa Rurale di Lavis – Valle di Cembra, Banca di Credito Cooperativo, Società Cooperativa ("**BCC Lavis**"), Banca di Credito Cooperativo di Marcon – Venezia, Società Cooperativa ("**BCC Marcon**"), Cassa Rurale Mezzocorona, Banca di Credito Cooperativo, Società Cooperativa ("**BCC Mezzocorona**"), Cassa Rurale Mezzolombardo e San Michele dell'Adige, Banca di Credito Cooperativo, Società Cooperativa ("**BCC Mezzolombardo**"), Cassa Rurale di Pergine, Banca di Credito Cooperativo, Società Cooperativa ("**BCC Pergine**"), Cassa Rurale Pinetana Fornace e Serenano, Banca di Credito Cooperativo, Società Cooperativa ("**BCC Pinetana**"), Banca di Credito Cooperativo delle Prealpi, Società Cooperativa ("**BCC Prealpi**"), Cassa Rurale di Rovereto, Banca di Credito Cooperativo, Società Cooperativa ("**BCC Rovereto**"), Cassa Rurale di Tione Ragoli e Montagne, Banca di Credito Cooperativo, Società Cooperativa ("**BCC Tione**"), Cassa Rurale Val di Fassa e Agordino, Banca di Credito Cooperativo ("**BCC Val di Fassa**"), Cassa Rurale Valle dei Laghi, Banca di Credito Cooperativo, Società Cooperativa ("**BCC Valle dei Laghi**"), Cassa Rurale Giudicarie ValSabbia Paganella, Banca di Credito Cooperativo, Società Cooperativa ("**BCC Valsabbia**") and Banca di Credito Cooperativo del Veneziano, Società Cooperativa ("**BCC Veneziano**") and together with BCC Alto Garda, BCC Alto Vicentino, BCC Bolzano, BCC Cavola e Sassuolo, BCC Folgaria, BCC Lavis, BCC Marcon, BCC Mezzocorona, BCC Mezzolombardo, BCC Pergine, BCC Pinetana, BCC Prealpi, BCC Rovereto, BCC Tione, BCC Val di Fassa, BCC Valle dei Laghi and BCC Valsabbia, collectively the "**CC Originators**" and each a "**CC Originator**" (and, together with the CF Originators, the "**Originators**").

Investor Note Issuer: *The Investor Note Issuer accepts responsibility for the information contained in this Offering Circular, other than that information for which the Intermediate Note Issuers or, as applicable, the Originators accept responsibility as described in the following paragraphs. To the best of the knowledge of the Investor Note Issuer (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.*

Intermediate Note Issuers: *Each of the Intermediate Note Issuers accepts responsibility for the information contained in this Offering Circular, in the relevant parts of the sections headed "Information Regarding the Intermediate Note Issuers", "Terms and Conditions of the CC Intermediate Notes", "Terms and Conditions of the CF Intermediate Notes" and any other information contained in this Offering Circular relating to itself. To the best of the knowledge of each of the Intermediate Note Issuers (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.*

Originators: *Each of the Originators accepts responsibility for the information included in this Offering Circular in the relevant parts of the sections headed "Description of the Portfolios", "Information Regarding the Originators", "Collection Policy and Recovery Procedures" and any other information contained in this Offering Circular relating to itself and its Portfolio. To the best of the knowledge of each of the Originators (which have taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information.*

None of the Lead Manager, the Investor Note Issuer, the Co-Arrangers or any other party to the Transaction Documents (as defined in the section headed "Glossary of Terms") have undertaken or will undertake any investigations, searches or other actions to verify the details of the Intermediate Notes or the Portfolios sold by each of the Originators to the Intermediate Note Issuers, nor has the Lead Manager, the Investor Note Issuer or the Co-Arrangers or any other party to the Transaction Documents, undertaken nor will they undertake, any investigations, searches or other actions to establish the existence of any of the monetary claims in the Portfolios.

No Person has been authorised to give any information or to make any representation not contained in this Offering Circular and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Investor Note Issuer, the Intermediate Note Issuers, each of the Originators (in any capacity), the Lead Manager, the Co-Arrangers or any other party to the Transaction Documents. Neither the delivery of this Offering Circular nor the offering, sale or delivery of any Investor Notes shall, under any circumstances, constitute a representation or create any implication that there has been no change, or any event reasonably likely to involve any change, in the condition (financial or otherwise) of the Investor Note Issuer, the Intermediate Note Issuers or the Originators or the information contained herein since the date of this Offering Circular or that the information contained herein is correct as at any time subsequent to the date of this Offering Circular.

The Investor Notes will not be obligations or responsibilities of, or guaranteed by, any of the Co-Arrangers, the Lead Manager, the Investor Note Trustee, the Intermediate Note Issuer or the Originators (in any capacity). No Person and none of such parties (other than the Investor Note Issuer) accepts any liability whatsoever in respect of any failure by the Investor Note Issuer to make payment of any amount due on the Investor Notes.

All the Investor Note Issuer's rights in the Intermediate Notes and in respect of the Portfolios relating thereto are subject to a security interest in favour of the Investor Note Trustee exclusively for the purposes of satisfying the Investor Note Issuer's obligations to the Noteholders, the other Investor Note Issuer Secured Creditors and any other third party creditors in respect of any taxes, costs, fees or expenses incurred by the Investor Note Issuer in relation to the securitisation of the Intermediate Notes (the "Transaction") and to the corporate existence and good standing of the Investor Note Issuer.

*Amounts payable by the Investor Note Issuer will be applied by the Investor Note Issuer out of the Investor Note Issuer Available Funds in accordance with and subject to the application of the Investor Note Issuer Available Funds as set out in the Investor Note Trust Deed (the "**Application of Proceeds**").*

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

*The Investor Notes may not be offered or sold, directly or indirectly, and neither this Offering Circular nor any other offering circular or any prospectus, form of application, advertisement, other offering material or other information relating to the Investor Note Issuer or the Investor Notes may be issued, distributed or published in any country or jurisdiction (including Ireland, 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 (nor a "sollecitazione all'investimento") of the Investor Notes to the public in the Republic of Italy. Accordingly, the Investor Notes may not be offered, sold or delivered, and neither this Offering Circular nor any other offering material relating to the Investor Notes may be distributed, or made available, to the public in the Republic of Italy. Individual sales of the Investor 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 Investor Notes and the distribution of this Offering Circular see "**Subscription and Sale**".*

The Investor Notes have not been and will not be registered under the Securities Act or any other state securities laws. The Investor Notes may not be offered, sold or delivered directly or indirectly within the United States or to, or for the account 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 and applicable state securities laws.

Neither this document nor any other information supplied in connection with the issue of the Investor Notes should be considered as a recommendation or as constituting an invitation or offer by the Investor Note Issuer or the Lead Manager that any recipient of this Offering Circular, or of any other information supplied in connection with the issue of the Investor Notes, should purchase any of the Investor Notes. Each investor contemplating purchasing any of the Investor Notes must make its own independent investigation and appraisal of the financial condition and affairs of the Investor Note Issuer.

Certain monetary amounts included in this Offering Circular may have been subject to rounding adjustments; accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures preceding them.

In this Offering Circular 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 in Madrid of 16 December 1995.

In connection with the issue of any Investor Notes, Société Générale, London Branch, named as the stabilising manager (or persons acting on behalf of any stabilising manager), may over-allot the Investor Notes (provided that, in the case of any Investor Notes to be admitted to trading on a regulated market in the EEA, the aggregate principal amount of Investor Notes allotted does not

exceed 105 % of the aggregate principal amount of the Investor Notes) or effect transactions with a view to supporting the market price of the Investor Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the stabilising manager (or persons acting on behalf of a stabilising manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Investor Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Investor Notes and 60 days after the date of the allotment of the Investor Notes.

TABLE OF CONTENTS

SUMMARY.....	7
RISK FACTORS.....	9
THE PRINCIPAL PARTIES.....	22
TRANSACTION SUMMARY INFORMATION.....	31
TRANSACTION DIAGRAM.....	61
DESCRIPTION OF THE PORTFOLIOS.....	62
INFORMATION REGARDING THE INVESTOR NOTE ISSUER.....	86
INFORMATION REGARDING THE INTERMEDIATE NOTE ISSUERS.....	88
INFORMATION REGARDING THE ORIGINATORS.....	100
COLLECTION POLICY AND RECOVERY PROCEDURES.....	107
USE OF PROCEEDS.....	110
DESCRIPTION OF THE TRANSACTION DOCUMENTS.....	111
WEIGHTED AVERAGE LIFE OF THE INVESTOR NOTES.....	127
TERMS AND CONDITIONS OF THE INVESTOR NOTES.....	128
TERMS AND CONDITIONS OF THE CF INTERMEDIATE NOTES.....	147
TERMS AND CONDITIONS OF THE CC INTERMEDIATE NOTES.....	197
SELECTED ASPECTS OF IRISH LAW.....	245
SELECTED ASPECTS OF ITALIAN LAW.....	248
TAXATION.....	254
SUBSCRIPTION AND SALE.....	264
GENERAL INFORMATION.....	268
GLOSSARY OF TERMS.....	271

SUMMARY

*This summary is drafted in accordance with the Directive 2003/71/EC of the European Parliament and of the European Council of 4 November 2003 in respect of a prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC and should be read as an introduction to the whole Offering Circular as it does not purport to be complete and is qualified in its entirety by reference to the detailed information appearing elsewhere in this Offering Circular and related documents referred to herein. Capitalised terms not specifically defined in this summary have the meanings set out in Investor Note Condition 1 (Definitions) under the section headed "**Terms and Conditions of the Investor Notes**" or are defined elsewhere in this Offering Circular. A glossary of defined terms appears at the back of this Offering Circular. References to an "**Investor Note Condition**" are to the specified Investor Note Condition in the "**Terms and Conditions of the Investor Notes**" below. For a discussion of certain risk factors to be considered in connection with an investment in the Investor Notes, see "**Risk Factors**".*

1. Introduction

The Investor Note Issuer was incorporated as a public limited liability company in Ireland pursuant to the Companies Acts 1963 to 2005 of Ireland on 8 May 2006 under the name of BCC Mortgages PLC with registered number 419676. Since the date of its incorporation, the Investor Note Issuer has not engaged in any business not related to the purchase of the Intermediate Notes and the issue of the Investor Notes. No financial statements have been prepared and no dividends have been declared or paid. The Investor Note Issuer has no employees. The authorised and issued capital of the Investor Note Issuer is Euro 40,000 fully paid up as of the date of this Offering Circular.

2. Principal Activities

The objects of the Investor Note Issuer, as set out in its Memorandum and Articles of Association are to purchase monetary claims in the context of securitisation transactions, and to fund such purchase by issuing asset backed securities or by other forms of limited recourse financing. The issuance of the Investor Notes was approved by a resolution of the directors dated 1 June 2006. So long as any of the Investor Notes remains outstanding, the Investor Note Issuer shall not, without the consent of the Investor Note Trustee and as provided for in the relevant Investor Note Conditions, incur any other indebtedness for borrowed monies or engage in any business (other than acquiring and holding the Intermediate Notes, issuing the Investor 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 person or convey or transfer its property or assets to any person (otherwise than as contemplated in the Investor Note Conditions) or increase its capital. The Investor Note Issuer will covenant to observe, *inter alia*, those restrictions which are detailed in the Investor Note Conditions.

3. The Investor Notes

The Investor Notes are in bearer form and will be issued in denominations of Euro 50,000.

The Investor Notes are constituted and secured by a trust deed dated the Investor Note Issue Date entered into between the Investor Note Issuer and Deutsche Trustee Company Limited as Investor Note Trustee.

Each Class of Investor Notes will initially be represented by a Temporary Global Note, which is expected to be issued on or about the Investor Note Issue Date. Interests in the Temporary Global Note are exchangeable 40 days after the Investor Note Issue Date (provided that certification of non-US beneficial ownership has been received) for interests in a Permanent Global Note representing the relevant Class of Investor Notes. The Investor Notes will be deposited with Deutsche Bank AG, London Branch as common depository for Euroclear and Clearstream, Luxembourg, on the Investor Note Issue

Date. The Permanent Global Notes will be exchangeable, in whole but not in part for Investor Notes in definitive form of the relevant Class only in certain limited circumstances as described in the Investor Note Trust Deed.

The Investor Notes constitute secured limited recourse obligations of the Investor Note Issuer and, accordingly, the extent of the obligation of the Investor Note Issuer to make payments under the Investor Notes is conditional upon the receipt and recovery by the Investor Note Issuer of amounts due, and is limited to the extent of any amounts received or recovered by the Investor Note Issuer, in each case, in respect of the Intermediate Notes.

The Investor Notes are secured by certain assets of the Investor Note Issuer pursuant to the Investor Note Trust Deed. Amounts deriving from the Intermediate Notes will only be available, both prior to and following the winding-up of the Investor Note Issuer, to satisfy the obligations of the Investor Note Issuer to the Noteholders and the other Investor Note Secured Creditors in accordance with the applicable Application of Proceeds set forth in Investor Note Condition 4 (*Application of Proceeds*) and to any third party creditors in respect of taxes, costs, fees and expenses incurred by the Investor Note Issuer in relation to the Transaction.

The Investor Notes of each Class will rank *pari passu* and without any preference or priority among themselves.

RISK FACTORS

1. THE INVESTOR NOTE ISSUER

1.1 Credit risk

The Investor Note Issuer is subject to the risk of delay arising between the receipt of payments due from the Intermediate Note Issuers and the scheduled Payment Dates. The Investor Note Issuer is also subject to the risk of, among other things, default in payments by the Borrowers and the failure of the Intermediate Note Servicers to collect and recover sufficient funds in respect of the Portfolios in order to enable the Intermediate Note Issuers to discharge all amounts payable under the Intermediate Notes. These risks are mitigated by: (a) the subordination provided by the Class B Investor Notes upon the service of a Default Notice; (b) the subordination provided in relation to the Intermediate Notes by the most subordinated Class of such Intermediate Notes; and (c) the liquidity and credit support provided in relation to the Intermediate Notes by the Intermediate Note Liquidity Agreements and the Intermediate Note Limited Recourse Loan Agreements.

However in each case, there can be no assurance that the levels of liquidity and credit support provided by the Class B Investor Notes and the other liquidity and credit support provided in respect of the Intermediate Notes will be adequate to ensure punctual and full receipt of amounts due under the Investor Notes.

Furthermore, the performance by the Intermediate Note Issuers of their obligations under the Intermediate Notes is dependent on the solvency of the Intermediate Note Servicers, the Intermediate Note Liquidity Providers, the Intermediate Note Limited Recourse Loan Providers and the Intermediate Note Swap Counterparties, or any permitted successors or assignees appointed under the relevant agreements.

In certain circumstances (including after service of a Default Notice), the Intermediate Note Issuers could attempt to sell the Portfolios or the Investor Note Issuer could attempt to sell the Intermediate Notes, but there is no assurance that the amounts received on such sale would be sufficient to repay in full all amounts due to the Investor Note Issuer or the Noteholders, as the case may be.

1.2 Ability to meet obligations under the Investor Notes

The Investor Note Issuer will not as of the Investor Note Issue Date have any significant assets other than the Intermediate Notes. The ability of the Investor Note Issuer to meet its obligations in respect of the Investor Notes will be dependent on payments received in respect of the Intermediate Notes which, in turn, will be dependent on the extent of collections and recoveries from the Portfolios and any other amounts payable to the Intermediate Note Issuers.

There is no assurance that, over the life of the Investor Notes or at the redemption date of the Investor Notes (whether on the Investor Note Final Maturity Date, upon redemption by acceleration following the occurrence of an Event of Default or otherwise), there will be sufficient funds to enable the Investor Note Issuer to pay interest on the Investor Notes, or to repay the Investor Notes in full.

If there are insufficient funds available to the Investor Note Issuer to pay in full all principal and interest and any other amounts due in respect of the Investor Notes, then the Noteholders will have no further claims against the Investor Note Issuer in respect of any such unpaid amounts. After the Investor Notes have become due and payable following service of a Default Notice, the only remedy available to the Noteholders and the other Investor Note Secured Creditors is the exercise by the Investor Note Trustee of the Investor Note Issuer's rights under the Investor Note Transaction Documents.

1.3 No independent investigation in relation to the Portfolios

None of the Investor Note Issuer, the Co-Arrangers or the Lead Manager, nor any other party to the Investor Note Transaction Documents has undertaken or will undertake any investigation, searches or other actions to verify the details of the Portfolios sold by each of the Originators to the Intermediate Note Issuers, nor has any such party undertaken, nor will any of them undertake, any investigations, searches or other actions to establish the creditworthiness of any Borrower in respect of the Portfolios.

The Investor Note Issuer will rely instead on the representations and warranties given by the Originators in the Intermediate Note Subscription Agreements. The only remedies of the Investor Note Issuer in respect of the occurrence of a breach of a representation and warranty which materially and adversely affects the value of a Claim will be the requirement that the Originators indemnify the Investor Note Issuer for the damage deriving therefrom or repurchases the relevant Claim. There can be no assurance that the Originators will have the financial resources to honour such obligations.

1.4 Corporate structure of the Investor Note Issuer

The Investor Note Issuer as special purpose vehicle

The Investor Note Issuer is not an operating company. The Investor Note Issuer's sole business is the raising and borrowing of money by issuing Investor Notes or other obligations for the purposes of purchasing assets and entering into related derivatives and other contracts in connection with the issue of the Investor Notes or such other obligations. The Investor Note Issuer grants security over its assets in connection with the raising and borrowing of money and entry into such derivatives and other contracts. The Investor Note Issuer has covenanted not to have any subsidiaries or employees, purchase, own, lease or otherwise acquire any real property (including office premises or like facilities), consolidate or merge with any other person or issue any shares (other than such shares as were in issue on the date of its incorporation). As such, the Investor Note Issuer has, and (subject to paragraph 1.6 ("*Further Securitisations*") below)

will have, no assets other than any Investor Note Issuer's rights and any other assets on which Investor Notes are secured.

Regulation of the Investor Note Issuer by any regulatory authority

The Investor Note Issuer is not, nor is it required to be, licensed, registered or authorised under any current securities, commodities or banking laws of its jurisdiction of incorporation and the Investor Note Issuer operates and will operate without supervision by any authority in any jurisdiction. There is no assurance, however, that regulatory authorities in one or more jurisdictions would not take a contrary view regarding the applicability of any such laws to the Investor Note Issuer. The taking of a contrary view by such regulatory authority could have an adverse impact on the Investor Note Issuer or the Noteholders.

Any investment in the Investor Notes does not have the status of a bank deposit and is not within the scope of any deposit protection scheme operated by the Irish Financial Services Regulator Authority. The Investor Note Issuer is not regulated by the Irish Financial Services Regulatory Authority by virtue of the issue of the Investor Notes.

Examinership

Examinership is a court procedure available under the Irish Companies (Amendment) Act 1990, as amended (the "**1990 Act**") to facilitate the survival of Irish companies in financial difficulties.

The Investor Note Issuer, the directors of the Investor Note Issuer, a contingent, prospective or actual creditor of the Investor Note Issuer, or shareholders of the Investor Note Issuer holding, at the date of presentation of the petition, not less than one-tenth of the voting share capital of the Investor Note Issuer

are each entitled to petition the court for the appointment of an examiner. The examiner, once appointed, has the power to set aside contracts and arrangements entered into by the company after this appointment and, in certain circumstances, can avoid a negative pledge given by the company prior to this appointment. Furthermore, the examiner may sell assets, the subject of a fixed charge. However, if such power is exercised the examiner must account to the holders of the fixed charge for the amount realised and discharge the amount due to the holders of the fixed charge out of the proceeds of the sale.

During the period of protection, the examiner will compile proposals for a compromise or scheme or arrangement to assist the survival of the company or the whole or any part of its undertaking as a going concern. A scheme of arrangement may be approved by the Irish High Court when at least one class of creditors has voted in favour of the proposals and the Irish High Court is satisfied that such proposals are fair and equitable in relation to any class of members or creditors who have not accepted the proposals and whose interests would be impaired by implementation of the scheme of arrangement.

In considering proposals by the examiner, it is likely that secured and unsecured creditors would form separate classes of creditors. In the case of the Investor Note Issuer, if the Investor Note Trustee represented the majority in number and value of claims within the secured creditor class (which would be likely given the restrictions agreed to by the Investor Note Issuer in the Investor Note Conditions), the Investor Note Trustee would be in a position to reject any proposal not in favour of the Noteholders. The Investor Note Trustee would also be entitled to argue at the Irish High Court hearing at which the proposed scheme of arrangement is considered that the proposals are unfair and inequitable in relation to the Noteholders, especially if such proposals included writing down to the value of amounts due by the Investor Note Issuer to the Noteholders. The primary risks to the Noteholders if an examiner were appointed to the Investor Note Issuer are as follows:

- (i) the potential for a scheme of arrangement being approved involving the writing down of the debt due by the Investor Note Issuer to the Noteholders as secured by the Investor Note Trust Deed;
- (ii) the potential for the examiner to seek to set aside any negative pledge in the Investor Notes prohibiting the creation of security of the incurring of borrowings by the Investor Note Issuer to enable the examiner to borrow to fund the Investor Note Issuer during the protection period; and

in the event that a scheme of arrangement is not approved and the Investor Note Issuer subsequently goes into liquidation, the examiner's remuneration and expenses (including certain borrowings incurred by the examiner on behalf of the Investor Note Issuer and approved by the Irish High Court) will take priority over the monies and liabilities which from time to time are or may become due, owing or payable by the Investor Note Issuer to each of the Investor Note Secured Creditors under the Investor Notes or the Investor Note Transaction Documents.

Preferred creditors under Irish law and fixed security

Under Irish law, upon an insolvency of an Irish company such as the Investor Note Issuer, when applying the proceeds of assets subject to fixed security which may have been realised in the course of a liquidation or receivership, the claims of a limited category of preferential creditors will take priority over the claims of creditors holding the relevant fixed security. These preferred claims include the remuneration, costs and expenses properly incurred by any examiner of the company (which may include any borrowings made by an examiner to fund the company's requirements for the duration of his appointment) which have been approved by the Irish courts. (See "**Examinership**" above.)

The holder of a fixed security over the book debts of an Irish tax resident company (which would include the Investor Note Issuer) may be required by the Irish Revenue Commissioners, by notice in writing from the Irish Revenue Commissioners, to pay to them sums equivalent to those which the holder received in payment of debts due to it by the company.

Where the holder of the security has given notice to the Irish Revenue Commissioners of the creation of the security within 21 days of its creation, the holder's liability is limited to the amount of certain outstanding Irish tax liabilities of the company (including liabilities in respect of value added tax) arising after the issuance of the Irish Revenue Commissioners' notice to the holder of fixed security.

The Irish Revenue Commissioners may also attach any debt due to an Irish tax resident company by another person in order to discharge any liabilities of the company in respect of outstanding tax whether the liabilities are due on its own account or as an agent or trustee. The scope of this right of the Irish Revenue Commissioners has not yet been considered by the Irish courts and it may override the rights of holders of security (whether fixed or floating) over the debt in question.

In relation to the disposal of assets of any Irish tax resident company which are subject to security, a person entitled to the benefit of the security may be liable for tax in relation to any capital gains made by the company on a disposal of those assets on exercise of the security.

It is of the essence of a fixed charge that the person creating the charge does not have liberty to deal with the assets which are the subject matter of the security in the sense of disposing of such assets or expending or appropriating the monies or claims constituting such assets and accordingly, if and to the extent that such liberty is given to the Investor Note Issuer, any charge constituted by the Investor Note Trust Deed may operate as a floating, rather than a fixed, charge. In particular, the Irish courts have held that in order to create a fixed charge on receivables it is necessary to oblige the chargor to pay the proceeds of collection of the receivables into a designated bank account and to prohibit the chargor from withdrawing or otherwise dealing with the monies standing to the credit of such account without the consent of the chargee. Depending upon the level of control actually exercised by the chargor, there is therefore a possibility that the fixed security over the Investor Note Issuer Accounts and other assets comprising the Investor Note Collateral would be regarded by the Irish courts as a floating charge. Floating charges have certain weaknesses, including the following:

- (i) they have weak priority against purchasers (who are not on notice of any negative pledge contained in the floating charge) and the chargees of the assets concerned and against lien holders, execution creditors and creditors with rights of set-off;
- (ii) as discussed above, they rank after certain preferential creditors, such as claims of employees and certain taxes on winding-up;
- (iii) they rank after certain insolvency remuneration expenses and liabilities;
- (iv) the examiner of a company has certain rights to deal with the property covered by the floating charge; and
- (v) they rank after fixed charges.

1.5 Limited enforcement rights

The protection and exercise of the Noteholders' rights against the Investor Note Issuer and the security under the Investor Notes is one of the duties of the Investor Note Trustee. The Investor Note Trust Deed and the Investor Note Conditions limit the ability of individual Noteholders to commence proceedings against the Investor Note Issuer by conferring on a meeting of the Noteholders the power to pass a resolution on the ability of any Noteholder to commence any such individual actions.

1.6 Further securitisations

The Investor Note Issuer may purchase and securitise further notes in addition to the Intermediate Notes. It is a condition precedent to any such securitisation that the Rating Agencies confirm that the then current ratings of the Investor Notes will not be affected by such purchase.

2. THE INVESTOR NOTES

2.1 Limited recourse nature of the Investor Notes

The Investor Notes will be obligations solely of the Investor Note Issuer. In particular, the Investor Notes will not be obligations or responsibilities of, or be guaranteed by any of the Investor Note Principal Paying Agent, the Investor Note Trustee, the Investor Note Agent Bank, the Investor Note Issuer Administrator, the Luxembourg Paying Agent, the Intermediate Note Issuers, the Originators, the Co-Arrangers or the Lead Manager. No such person accepts any liability whatsoever in respect of any failure by the Investor Note Issuer to make any payment of any amount due on the Investor Notes.

The Investor Notes are limited recourse obligations of the Investor Note Issuer and amounts payable thereunder are payable solely from amounts received by the Investor Note Issuer from or in respect of the Intermediate Notes and receipts under the Transaction Documents to which it is or will be a party. On the Investor Note Issue Date, the Investor Note Issuer will have no significant assets other than the Intermediate Notes.

2.2 Subordination

With respect to the obligation of the Investor Note Issuer to repay principal and to pay interest on the Investor Notes, the Investor Note Conditions provide that the Class A Investor Notes will rank *pari passu* and without any preference or priority among themselves; the Class B Investor Notes will rank *pari passu* and without any preference or priority among themselves but will be subordinated to the Class A Investor Notes solely in accordance with the Acceleration Order of Priority.

Following service of a Default Notice, as long as any Class A Investor Notes are outstanding, unless notice has been given to the Investor Note Issuer declaring the Class A Investor Notes due and payable, the Class B Investor Notes shall not be capable of being declared due and payable and the holders of the Class A Investor Notes will be entitled to determine the remedies to be exercised. Remedies pursued by the holders of the Class A Investor Notes could be adverse to the interests of the holders of the Class B Investor Notes.

2.3 Allocation of cash-flows

Prior to the delivery of a Default Notice or a Redemption for Taxation, all receipts of interest and principal in respect of the Class A Intermediate Notes shall be applied in payment of the Class A Investor Notes and all receipts of interest and principal in respect of the Class B Intermediate Notes shall be applied in payment of the Class B Investor Notes.

Except and to the extent provided in the Acceleration Order of Priority: (i) holders of Class A Investor Notes will only be entitled to payments from the Class A Investor Note Interest Account and the Class A Investor Note Principal Account to the extent of funds standing to the credit of such accounts and will not be entitled to payments received in respect of the Class B Intermediate Notes; and (ii) holders of Class B Investor Notes will only be entitled to payments from the Class B Investor Note Interest Account and the Class B Investor Note Principal Account to the extent of funds standing to the credit of such accounts and will not be entitled to payments received in respect of the Class A Intermediate Notes, in each case notwithstanding any shortfall in amounts available to pay the Class A Investor Notes or Class B Investor Notes.

In the event that the Investor Note Issuer Available Funds available to the Investor Note Issuer on any Payment Date (in accordance with the Pre-Acceleration Application of Proceeds or the Acceleration Order of Priority, as applicable), for the payment of interest due on the Investor Notes on such Payment Date are not sufficient to satisfy in full the aggregate amount of such interest, the amount by which the aggregate amount of interest paid on such Payment Date falls short of the aggregate amount of interest which would otherwise be due shall accrue interest with respect to each Interest Period during which it remains outstanding at the Interest Rate and shall be aggregated with the amount of, and treated for the purposes of these Investor Note Conditions as if it were, interest due on the Investor Notes on the immediately following Payment Date and any such event will not constitute an Event of Default pursuant to Investor Note Condition 9.

2.4 Yield and payment considerations

The yield to maturity of the Investor Notes will depend on, *inter alia*, the amount and timing of repayment of principal under the Intermediate Notes.

The yield to maturity of the Investor Notes may be affected by a higher than anticipated repayment rate under the Intermediate Notes which may be affected by a higher than anticipated repayment rate under the Portfolios. Such rate cannot be predicted and is influenced by a wide variety of economic, social and other factors, including prevailing market interest rates and margins offered by the banking system, the availability of alternative financing and local and regional economic conditions. Therefore, no assurance can be given as to the level of prepayments that will occur under the Portfolios.

2.5 Projections, forecasts and estimates

Estimates of the weighted average lives of the Investor Notes included herein, together with any other projections, forecasts and estimates in this Offering Circular, are forward-looking statements. Projections are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the projections will not materialise or will vary significantly from actual results. Accordingly, actual results may vary from the projections, and the variations may be material.

2.6 Limited nature of credit ratings assigned to the Investor Notes

Each credit rating assigned to the Investor Notes reflects the relevant Rating Agency's assessment only in relation to likelihood of timely payment of interest and the ultimate repayment of principal on or before the Investor Note Final Maturity Date, and not that such payments will be paid when expected or scheduled. These ratings are based, among other things, on the Rating Agencies' credit analysis performed at the Intermediate Notes level, the reliability of the payments on the Intermediate Notes and the availability of credit enhancement to the Intermediate Notes.

The ratings do not address the following:

- (i) the possibility of the imposition of withholding tax; or
- (ii) the marketability of the Investor Notes, or any market price for the Investor Notes; or
- (iii) whether an investment in the Investor Notes is a suitable investment for the Noteholder.

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

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

2.7 Suitability

Prospective investors should determine whether an investment in the Investor 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 Investor Notes and to arrive at their own evaluation of the investment.

Investment in the Investor Notes is only suitable for investors who:

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

Prospective investors in the Investor Notes should make their own independent decision whether to invest in the Investor Notes and whether an investment in the Investor 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 Investor Notes should not rely on or construe any communication (written or oral) of the Investor Note Issuer, the Co-Arrangers or the Lead Manager as investment advice or as a recommendation to invest in the Investor Notes, it being understood that information and explanations related to the Investor Note Conditions shall not be considered to be investment advice or a recommendation to invest in the Investor Notes.

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

2.8 Investor Note Trustee

The Investor Note Conditions and the Investor Note Trust Deed contain provisions requiring the Investor Note Trustee to have regard to the interests of the holders of each Class of Investor Notes as regards all powers, authorities, duties and discretion of the Investor Note Trustee as if they formed a single Class (except where expressly provided otherwise) but requiring the Investor Note Trustee, in the event of a conflict between the interests of the holders of different Classes of Investor Notes, to have regard only to the interests of the holders of the Class of Investor Notes ranking highest in the order of priority of the then outstanding Investor Notes.

2.9 Change of law

The structure of the transaction and, *inter alia*, the issue of the Intermediate Notes and the Investor Notes and the ratings assigned to the Investor Notes are based on Irish, Italian and English 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 Irish, Italian and English law, tax or administrative practice will not change after the Investor Note Issue Date or that any such change will not adversely impact the structure of the transaction and the treatment of the Intermediate Notes and the Investor Notes.

2.10 Limited Liquidity

There is not at present an active and liquid secondary market for the Investor Notes. The Investor Notes will not be registered under the Securities Act and will be subject to significant restrictions on resale in the United States. Although application has been made to list the Investor Notes on the Luxembourg Stock Exchange, there can be no assurance that a market for the Investor Notes will develop, or, if a secondary market does develop in respect of any of the Investor Notes, that it will provide the Noteholders with liquidity that is either sufficient for Noteholders' purposes or will continue until the final redemption or cancellation of such Investor Notes. Consequently, any purchaser of Investor Notes must be prepared to hold such Investor Notes until the final redemption or cancellation.

3. RISK FACTORS APPLICABLE TO THE INTERMEDIATE NOTE ISSUERS AND THE INTERMEDIATE NOTES

3.1 Intermediate Note Issuers' ability to meet their obligations under the Intermediate Notes

The Intermediate Note Issuers will not as of the Intermediate Note Issue Date have any significant assets other than the Portfolios and the other Intermediate Note Issuers' rights. The ability of the Intermediate Note Issuers to meet their obligations in respect of the Intermediate Notes will be dependent on the extent of collections and recoveries from the Portfolios and any other amounts payable to the Intermediate Note Issuers pursuant to the terms of the Intermediate Note Transaction Documents to which they are parties.

There is no assurance that, over the life of the Intermediate Notes or at the redemption date of the Intermediate Notes (whether on the Intermediate Note Final Maturity Date, upon redemption by acceleration of maturity following the occurrence of a Trigger Event, or otherwise), there will be sufficient funds to enable the Intermediate Note Issuers to pay interest on the Intermediate Notes, or to repay the Intermediate Notes in full.

If there are not sufficient funds available to the Intermediate Note Issuers to pay in full all principal and interest and any other amounts due in respect of the Intermediate Notes, then the Investor Note Issuer will have no further claims against the Intermediate Note Issuers in respect of any such unpaid amounts. After the Intermediate Notes have become due and payable following the occurrence of a Trigger Event, the only remedy available to the Investor Note Issuer is the exercise by the Representative of the Noteholders of the Intermediate Note Issuers' rights under the Intermediate Note Transaction Documents.

The Intermediate Note Issuers are subject to the risk of failure by the Intermediate Note Servicers to collect or to recover sufficient funds in respect of the Portfolios in order to enable to discharge all amounts payable under the Intermediate Notes when due.

The Intermediate Note Issuers are subject to the risk of delay arising between the receipt of payments due from a debtor under a loan agreement and the scheduled instalment dates.

The Intermediate Note Issuers are also subject to the risk of default in payment by a debtor and the failure to realise or to recover sufficient funds in respect of such Defaulted Claim (as defined in the Intermediate Note Transaction Documents) to fully discharge it. This risk is mitigated with respect to the Intermediate Notes by subordinators provided by the most subordinated class of such Intermediate Notes.

3.2 No independent investigation in relation to the Portfolios

None of the Intermediate Note Issuers, nor any other party to the Intermediate Note Transaction Documents (other than the Originators) has undertaken or will undertake any investigation, searches or other actions to verify the details of the Portfolio sold by each of the Originators to the Intermediate

Note Issuers, nor has any such party undertaken, nor will any of them undertake, any investigations, searches or other actions to establish the creditworthiness of any Borrower.

The Intermediate Note Issuers will rely instead on the representations and warranties given by the Originators in the Intermediate Note Warranty and Indemnity Agreements and in the Intermediate Note Transfer Agreements. The only remedies of the Intermediate Note Issuers in respect of the occurrence of a breach of a representation and warranty which materially and adversely affects the value of a Claim will be the requirement that the Originators indemnify the Intermediate Note Issuers for the damage deriving therefrom or repurchases the relevant Claim. There can be no assurance that the Originators will have the financial resources to honour such obligations.

The parties to the Intermediate Note Warranty and Indemnity Agreements have expressly agreed, pursuant to clause 11.1 thereof, that claims for a breach of representation or warranty given by the Originators may be pursued against the Originators until one year after the earlier of (A) the day on which the Intermediate Notes have been cancelled in full and (B) the day on which the Intermediate Notes have been paid in full. However, there is a possibility that legal actions initiated for breach of some representations or warranties be nonetheless subject to a one year statutory limitation period if article 1495 of the Italian civil code (which regulates ordinary sales contracts (contratti di compravendita)) is held to apply to the Intermediate Note Warranty and Indemnity Agreements.

3.3 Claims of unsecured creditors of the Intermediate Note Issuers

By operation of Law 130, the right, title and interest of the Intermediate Note Issuers in and to the Portfolios will be segregated from all other assets of the Intermediate Note Issuers (including, for the avoidance of doubt, any other portfolio purchased by the Intermediate Note Issuers pursuant to Law 130) and amounts deriving therefrom will be available on a winding up of the Intermediate Note Issuers only to satisfy the obligations of the Intermediate Note Issuers to the Intermediate Noteholders and to pay other costs of the Intermediate Note Transactions (as defined in the Intermediate Note Conditions). Amounts derived from the Portfolios will not be available to any other creditors of the Intermediate Note Issuers.

However, under Italian law, any other creditor of the Intermediate Note Issuers would be able to commence insolvency or winding up proceedings against the Intermediate Note Issuers in respect of any unpaid debt. Notwithstanding the foregoing, the corporate object of the Intermediate Note Issuers as contained in their by-laws is limited and the Intermediate Note Issuers have also agreed to certain covenants in the Intermediate Note Intercreditor Agreements and the Intermediate Note Conditions restricting the activities that may be carried out by the Intermediate Note Issuers and have furthermore covenanted not to enter into any transactions that are not contemplated in the Intermediate Note Transaction Documents. To the extent that the Intermediate Note Issuers have other creditors, the Intermediate Note Issuers have established the Expenses Account (as defined in the Intermediate Note Cash Administration and Agency Agreements) and the funds therein may be used for the purposes of paying the ongoing fees, costs, expenses and taxes of the Issuer to third parties, excluding the Other Intermediate Note Issuers Creditors (as defined in the Intermediate Note Conditions), in respect of the Intermediate Note Transactions.

3.4 Limited enforcement rights

The protection and exercise of the Intermediate Noteholders' rights against the Intermediate Note Issuers and the security under the Intermediate Notes is one of the duties of the Representative of the Noteholders. The Rules of the Organisation of the Intermediate Noteholders (as defined in the Intermediate Note Conditions) limit the ability of individual holders of the Intermediate Notes to commence proceedings against the Intermediate Note Issuers by conferring on the meeting of the holders of the Intermediate Notes the power to resolve on the ability of any Intermediate Noteholder to commence any such individual actions.

3.5 Servicing of the Portfolios and potential conflicts of interest

Pursuant to the Intermediate Note Servicing Agreements and as of its date of execution, each of the forty-three Portfolios will be serviced by each of the relevant Originators. The net cash flows from the Portfolios may be affected by decisions made, actions taken and the collection procedures adopted pursuant to the provisions of the Intermediate Note Servicing Agreements by the Intermediate Note Servicers (or any permitted successors or assignees appointed under the Intermediate Note Servicing Agreements).

3.6 Further securitisations

The Intermediate Note Issuers may purchase and securitise further portfolios of monetary claims in addition to the Portfolios. It is a condition precedent to any such securitisation that the Rating Agencies confirm that the then current ratings of each class of the Investor Notes will not be affected by such securitisation.

3.7 Tax treatment of the Intermediate Note Issuers

Taxable income of the Intermediate Note Issuers 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 (Schemi di bilancio delle società per la cartolarizzazione dei crediti), the assets, liabilities, costs and revenues of the Intermediate Note Issuers in relation to the securitisation of the Mortgage Loans will be treated as off-balance sheet assets, liabilities, costs and revenues. Based on the general rules applicable to the calculation of the net taxable income of a company, such taxable income should be calculated on the basis of accounting, i.e. on-balance sheet, earnings, subject to such adjustments as are specifically provided for by applicable income tax rules and regulations. On this basis, no taxable income should accrue to the Intermediate Note Issuers in the context of the transfer to the Intermediate Note Issuers of the Portfolios. This opinion has been expressed by scholars and tax specialists and has been confirmed by the tax authority (Circular No. 8/E issued by Agenzia delle Entrate on 6 February 2003) on the grounds that the net proceeds generated by the securitised assets may not be considered as legally available to an issuer insofar as any and all amounts deriving from the underlying assets are specifically destined to satisfy the obligations of such issuer to the noteholders, the originator and any other creditors of the issuer in respect of the securitisation of the underlying assets in compliance with applicable laws.

It is, however, possible that the Italian Ministry of Economy and Finance or another competent authority may issue further regulations, letters or rulings relating to Law 130 which might alter or affect the tax position of the Intermediate Note Issuers 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.

3.8 Liability under the Intermediate Notes

The Intermediate Notes are limited recourse obligations of the Intermediate Note Issuers and amounts payable thereunder are payable solely from amounts received by the Intermediate Note Issuers from or in respect of the Portfolios and the other Intermediate Note Issuers' rights and receipts under the Intermediate Note Transaction Documents to which they are or will be parties. On the Intermediate Note Issue Date, the Intermediate Note Issuers will have no significant assets other than the Portfolios and the other Intermediate Note Issuers' rights. Although the Intermediate Note Issuers may issue further notes subject to the terms of the Intermediate Note Conditions and to the Intermediate Note Quotaholders' Agreements, the holders of the Intermediate Notes will not have any recourse to the assets securing such notes.

3.9 Subordination

With respect to the obligation of the Intermediate Note Issuers to repay principal and to pay interest on the Intermediate Notes, the Intermediate Note Conditions provide that the Class A Intermediate Notes

will rank pari passu and without any preference or priority among themselves; the Class B Intermediate Notes will rank pari passu and without any preference or priority among themselves but will be subordinated to the Class A Intermediate Notes; the Class C Intermediate Notes of each series will rank pari passu and without any preference or priority among themselves but will be subordinated to the Class A Intermediate Notes and the Class B Intermediate Notes (each class as defined in the Intermediate Note Conditions). Principal on each series of Class C Intermediate Notes will be reimbursed and interest accrued thereon will be paid out of available funds deriving from collections and recoveries of the relevant Portfolio provided that, in case of acceleration of the reimbursement of the Intermediate Notes, principal on each series of Class C Intermediate Notes will be reimbursed and interest accrued thereon will be paid out of the aggregate available funds deriving from collections and recoveries of all the Portfolios, but in an amount which is a function of the performance of the relevant Portfolio.

No repayments of principal will be made on the Class B Intermediate Notes until all principal due on the Class A Intermediate Notes has been paid or is paid concurrently with such repayment as set forth in the Intermediate Note Conditions.

If a Trigger Event on the Intermediate Notes occurs, as long as any Class A Intermediate Notes are outstanding, unless notice has been given to the Intermediate Note Issuers declaring the Class A Intermediate Notes due and payable, the Class B Intermediate Notes and the Class C Intermediate Notes shall not be capable of being declared due and payable and the holders of the Class A Intermediate Notes will be entitled to determine the remedies to be exercised. Remedies pursued by the holders of the Class A Intermediate Notes could be adverse to the interests of the holders of the Class B Intermediate Notes and the holders of the Class C Intermediate Notes.

Following the occurrence of a Cross Collateral Event (as defined in the Intermediate Note Conditions) in relation to the Intermediate Notes, interest on the Class B Intermediate Notes will be subordinated to payments of interest and principal on the Class A Intermediate Notes if the Default Ratio (as defined in the Intermediate Note Conditions) is equal to or higher than 0.0475:1. To the extent that there are Class A Investor Notes outstanding, any non-payment of interest on the Class B Investor Notes will not be an Event of Default.

3.10 Yield and payment considerations

The yield to maturity of the Intermediate Notes will depend on, inter alia, the amount and timing of repayment of principal under the Claims (including prepayments).

The yield to maturity of the Intermediate Notes may be affected by a higher than anticipated prepayment rate under the Claims. Such rate cannot be predicted and is influenced by a wide variety of economic, social and other factors, including prevailing market interest rates and margin offered by the banking system, the availability of alternative financing and local and regional economic conditions. Therefore, no assurance can be given as to the level of prepayments that will occur under the Portfolios.

3.11 Projections, forecasts and estimates

Any other projections, forecasts and estimates in the Intermediate Note Offering Circulars, are forward-looking statements. Projections are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the projections will not materialise or will vary significantly from actual results. Accordingly, actual results may vary from the projections, and the variations may be material.

3.12 Interest rate risk

The Claims have interest payments calculated on a fixed rate basis or a floating rate basis (which may be different from the EURIBOR applicable under the Intermediate Notes and may have different dates of fixing), whilst the Intermediate Notes will bear interest at a rate based on Three Month EURIBOR (as

defined in the Intermediate Note Transaction Documents) determined on each Interest Determination Date (as defined in the Intermediate Note Transaction Documents), subject to and in accordance with the Intermediate Note Conditions. As a result, there could be a rate mismatch between the Intermediate Notes and the Portfolios. As a result of such mismatch, an increase in the level of Three Month EURIBOR could adversely impact the ability of the Intermediate Note Issuers to make payments on the Intermediate Notes. To reduce the impact of the interest rate mismatch, the Intermediate Note Issuers have entered into the Intermediate Note Swap Agreements. The benefits of the Intermediate Note Swap Agreements may not be achieved in the event of the early termination of the Intermediate Note Swap Agreements, including termination upon the failure of the Intermediate Note Swap Counterparties to perform their obligations thereunder. In the event of the insolvency of the Intermediate Note Swap Counterparties, the Intermediate Note Issuers will be treated as general and unsecured creditors of the Intermediate Note Swap Counterparties. Consequently, the Intermediate Note Issuers will be subject to the credit risk of the Intermediate Note Swap Counterparties in addition to the risk of the debtors of the Claims of the Portfolios.

3.13 The Representative of the Noteholders

The Intermediate Note Conditions and the Intermediate Note Intercreditor Agreements contain provisions requiring the Representative of the Noteholders to have regard to the interests of the holders of each class of Intermediate 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 classes of Intermediate Notes, to have regard only to the interests of the holders of the class of Intermediate Notes ranking highest in the order of priority of the then outstanding Intermediate Notes.

3.14 Limited liquidity

There is not at present an active and liquid secondary market for the Intermediate Notes. Intermediate Notes will not be registered under the Securities Act and will be subject to significant restrictions on resale in the United States. No application has been made to list the Intermediate Notes on any stock exchange and there can be no assurance that a market for the Intermediate Notes will develop.

3.15 Warranty as to the existence of the Claims

Under the relevant Intermediate Note Transfer Agreement and the Intermediate Note Warranty and Indemnity Agreements, each of the Originators has warranted, inter alia, that the Claims are all existing claims and each Originator has undertaken to indemnify the Intermediate Note Issuers for any breach of the warranties expressed under such agreements. See "Description of the Intermediate Note Warranty and Indemnity Agreement".

3.16 Ineffectiveness of prepayments by Borrowers

Pursuant to Article 65 of the Italian Bankruptcy Law, in the event that a Borrower is declared bankrupt, any payment made by the Borrower during the two-year 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 Mortgage Loan contracts) is ineffective vis-à-vis the Intermediate Note Issuers.

3.17 Substitute tax under the Intermediate Notes

Payments under the Intermediate Notes may be subject to a Law 239 Deduction, as described in the subsection headed "*Taxation in the Republic of Italy*" of the "*Taxation*" section of this Offering Circular. In such circumstance, any beneficial owner of an interest payment relating to the Intermediate Notes of any class will receive amounts of interest payable on the Intermediate Notes net of a Law 239

Deduction. At the date of the Intermediate Note Offering Circular, such Law 239 Deduction, if applicable, is levied at the rate of 12.5%, or such lower rate as may be applicable under the relevant double taxation treaty.

In the event that any Law 239 Deduction or any other deduction or withholding for or on account of tax is imposed or assessed in respect of payments to holders of the Intermediate Notes of amounts due pursuant to the Intermediate Notes, the Intermediate Note Issuers will not be obliged to gross-up or otherwise compensate the holders of the Intermediate Notes for the lesser amounts such holders will receive as a result of the imposition of any such deduction or withholding, or otherwise to pay any additional amounts to any of the holders of the Intermediate Notes.

Without prejudice to the above, in the event that any Intermediate Notes are redeemed in whole or in part prior to the end of the Initial Period (as defined in the Intermediate Note Transaction Documents), the Intermediate Note Issuers will be obliged to pay an additional amount of tax in Italy at a rate of twenty per cent. (20%) of all interest accrued on the principal amount repaid early up to the relevant repayment date.

4. EU DIRECTIVE ON THE TAXATION OF SAVINGS INCOME

On June 3, 2003, the European Council of Economics and Finance Ministers adopted a 2003/48/EC Directive on the taxation of savings income (the "**Directive**") under which member states of the European Union are required, starting from July 1, 2005, to provide to the tax authorities of another member state the details of payments of interest (or similar income) paid by a person within its jurisdiction, qualifying as paying agent under the Directive, to an individual resident in that other member state, except that, for a transitional period, Belgium, Luxembourg, Austria and five European Third Countries (Switzerland, Andorra, Liechtenstein, Monaco and San Marino) and certain member states' relevant dependent or associated territories (the Channel Islands, the Isle of Man and the dependent or associated territories in the Caribbean) will instead be required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain third countries). Belgium, Luxembourg or Austria may however elect to introduce automatic exchange of information during the transitional period, in which case they would no longer apply the withholding tax.

The Directive was implemented in Italy with the enactment of Legislative Decree no. 84 of 18 April 2005, applicable to all payments made by Italian resident qualifying paying agents on or after July 1, 2005, and with the regulatory provisions issued by the Italian Revenue Agency (*Agenzia delle Entrate*) on July 8, 2005.

THE PRINCIPAL PARTIES

CC INTERMEDIATE NOTE ISSUER

Cassa Centrale Finance S.r.l., a limited liability company incorporated under Article 3 of Law 130, whose registered office is at via Segantini 5, 38100 Trento, Italy and is enrolled in the general register of financial intermediaries held by *Ufficio Italiano Cambi* pursuant to Article 106 of the Consolidated Banking Act with No. 37725 and in the special register of financial intermediaries held by Bank of Italy pursuant to Article 107 of the Consolidated Banking Act.

CC OPERATING BANK

Cassa Centrale delle Casse Rurali Trentine – BCC Nord Est. S.p.A., a joint stock company (*società per azioni*) incorporated in Italy as a *società cooperativa*, whose registered office via Segantini 5, 38100 Trento, Italy, ABI code n. 03599 ("**Cassa Centrale**").

CC ORIGINATORS

Cassa Rurale Alto Garda B.C.C. Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at Viale delle Magnolie 1, Arco, Italy, ABI code n. 08016 ("**BCC Alto Garda**");

Banca Alto Vicentino Credito Cooperativo Scpa – Schio, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Pista dei Veneti, 14, 36015, Schio (VI), Italy, ABI code n. 08669 ("**BCC Alto Vicentino**");

Cassa Rurale di Bolzano Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via De Lai 2, 39100, Bolzano, Italy, ABI code n. 08081 ("**BCC Bolzano**");

Banca di Cavola e Sassuolo Credito Cooperativo, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Verdi 1, 42010, Cavola di Toano Re, ABI code n. 08623 ("**BCC Cavola e Sassuolo**");

Cassa Rurale di Folgaria, Banca di Credito Cooperativo, Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at Piazza San Lorenzo 47, 38064, Folgaria (TN), Italy, ABI code n. 08091 ("**BCC Folgaria**");

Cassa Rurale di Lavis – Valle di Cembra, Banca di Credito Cooperativo, Società Cooperativa a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Rosmini 61, Lavis (TN), Italy, ABI code n. 08120 ("**BCC Lavis**");

Banca di Credito Cooperativo di Marcon – Venezia, Società Cooperativa a bank incorporated in Italy as a *società cooperativa*, whose registered office is at Piazza Municipio, 22 - 30020 Marcon (VE), ABI code n. 08689 ("**BCC Marcon**");

Cassa Rurale Mezzocorona, Banca di Credito Cooperativo, Società Cooperativa a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Cavalleggeri 19, 38016, Mezzocorona (TN), Italy, ABI code n. 08138 ("**BCC Mezzocorona**");

Cassa Rurale Mezzolombardo e San Michele dell'Adige, Banca di Credito Cooperativo, Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at Corso del Popolo 22, Mezzolombardo (TN), Italy, ABI code n. 08139 ("**BCC Mezzolombardo**");

Cassa Rurale di Pergine, Banco di Credito Cooperativo, Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at Piazza Gavazzi 5, 38057 Pergine Valsugana (TN), Italy, ABI code n. 08178 ("**BCC Pergine**");

Cassa Rurale Pinetana Fornace e Serenano, Banca di Credito Cooperativo, Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via C. Battisti 17, 38042, Baselga di Pinè (TN), Italy, ABI code n. 08316 ("**BCC Pinetana**");

Banca di Crediti Cooperativo delle Prealpi, Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Roma 57, 31020, Tarzo (TV), Italy, ABI code n. 08904 ("**BCC Prealpi**");

Cassa Rurale di Rovereto, Banca di Credito Cooperativo, Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Manzoni 1, 38068, Rovereto (TN), Italy, ABI code n. 08210 ("**BCC Rovereto**");

Cassa Rurale di Tione Ragoli e Montagne, Banca di Credito Cooperativo, Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via 3 Novembre 20, 38079, Tione di Trento (TN), Italy, ABI code n. 08276 ("**BCC Tione**");

Cassa Rurale Val di Fassa e Agordino, Banca di Credito Cooperativo, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at Piazza C. Battisti 1, 38035, Moena (TN), Italy, ABI code n. 08140 ("**BCC Val di Fassa**");

Cassa Rurale Valle dei Laghi, Banca di Credito Cooperativo, Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Nazionale 7, 38070 Padergnone (TN), Italy, ABI code n. 08132 ("**BCC Valle dei Laghi**");

Cassa Rurale Giudicarie ValSabbia Paganella, Banca di Credito Cooperativo, Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Marini 33, Storo frazione Darzo (TN), Italy, ABI code n. 08078 ("BCC Valsabbia"); and

Banca di Credito Cooperativo del Veneziano, Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Villa 147, 30010 Campolongo Maggiore, (VE) Italy, ABI code n. 08407 ("BCC Veneziano").

**CC LIMITED RECOURSE
LOAN PROVIDERS**

BCC Alto Garda, BCC Alto Vicentino, BCC Bolzano, BCC Cavola e Sassuolo, BCC Folgaria, BCC Lavis, BCC Marcon, BCC Mezzocorona, BCC Mezzolombardo, BCC Pergine, BCC Pinetana, BCC Prealpi, BCC Rovereto, BCC Tione, BCC Val di Fassa, BCC Valle dei Laghi, BCC Valsabbia and BCC Veneziano.

CC LIQUIDITY PROVIDERS

BCC Alto Garda, BCC Alto Vicentino, BCC Bolzano, BCC Cavola e Sassuolo, BCC Folgaria, BCC Lavis, BCC Marcon, BCC Mezzocorona, BCC Mezzolombardo, BCC Pergine, BCC Pinetana, BCC Prealpi, BCC Rovereto, BCC Tione, BCC Val di Fassa, BCC Valle dei Laghi, BCC Valsabbia and BCC Veneziano.

CC PLACEMENT AGENT

Cassa Centrale.

CC QUOTAHOLDERS

Stichting Tridentum.

CC SERVICERS

BCC Alto Garda, BCC Alto Vicentino, BCC Bolzano, BCC Cavola e Sassuolo, BCC Folgaria, BCC Lavis, BCC Marcon, BCC Mezzocorona, BCC Mezzolombardo, BCC Pergine, BCC Pinetana, BCC Prealpi, BCC Rovereto, BCC Tione, BCC Val di Fassa, BCC Valle dei Laghi, BCC Valsabbia and BCC Veneziano.

CC SWAP COUNTERPARTY

Société Générale, whose office is at 29, boulevard Haussmann 75009, Paris, France, or any other person from time to time acting as CC Swap Counterparty.

**CF INTERMEDIATE NOTE
ISSUER**

Credico Finance 6 S.r.l., a limited liability company incorporated under Article 3 of Law 130, enrolled in the general register of financial intermediaries held by *Ufficio Italiano Cambi* pursuant to Article 106 of the Consolidated Banking Act with No. 37724 and in the special register of financial intermediaries held by Bank of Italy pursuant to Article 107 of the Consolidated Banking Act, whose registered office is at Largo Chigi 5, Rome, Italy.

CF OPERATING BANK

ICCREA Banca S.p.A. – Istituto Centrale del Credito Cooperativo, a joint stock company (società per azioni) with registered office at via Lucrezia Romana 41-47, 00178, Rome, Italy, registered at No. 5251 in the register of banks held by the Bank of Italy pursuant to article 13 of the Banking Act ("ICCREA Banca").

CF ORIGINATORS

Banca di Credito Cooperativo dell'Alta Brianza - Alzate Brianza - Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via IV Novembre 51, Alzate Brianza, Italy, ABI code n. 8329.5 ("BCC Alta Brianza Alzate Brianza");

Banca di Credito Cooperativo dell'Alto Reno - Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at Piazza Marconi 8, 40042, Lizzano in Belvedere (BO), Italy, ABI code n. 08331 ("BCC Alto Reno");

Bancasciano Credito Cooperativo Soc. Coop., a bank incorporated in Italy as a *società cooperativa*, whose registered office is at C.so Matteotti 1/S – 53041, Asciano (SI), Italy, ABI code n. 8351 ("BCC Asciano");

Banca di Credito Cooperativo della Bassa Friulana Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Udine 70/A, Castions di Strada (Udine), Italy, ABI code n. 08330 ("BCC Bassa Friulana");

Credito Cooperativo Bolognese – Credibo – S.C., a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Calzoni Alfredo 1/3, 40128, Bologna, ABI code n. 07082.1 ("BCC Bolognese");

Cassa Rurale ed Artigiana di Brendola Credito Cooperativo - Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at Piazza del Mercato 15/20, 36040, Brendola, ABI code n. 08399 ("BCC Brendola");

Banca di Credito Cooperativo di Campiglia dei Berici Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Nazionale 2, 36020, Campiglia dei Berici (VI), ABI code n. 08428 ("BCC Campiglia dei Berici");

Cassa Rurale ed Artigiana di Cantù Banca di Credito Cooperativo Soc. Coop., a bank incorporated in Italy as a *società cooperativa*, whose registered office is at C.so Unità d'Italia n. 11, 22063, Cantù, Italy, ABI code n. 08430 ("BCC Cantù");

Banca di Credito Cooperativo di Cartura SCRL, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Roma 15, 35025 Cartura (PD), Italy, ABI code n. 08452 ("**BCC Cartura**");

Banca San Giorgio e Valle Agno Credito Cooperativo di Fara Vicentino, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Perlene 78 (San Giorgio di Perlana), Fara Vincentino, Italy, ABI code n. 08807 ("**BCC San Giorgio**");

Banca di Credito Cooperativo di Fiumicello ed Aiello del Friuli Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Gramsci 12, 33050 Fiumicello, Italy, ABI code n. 08551 ("**BCC Fiumicello ed Aiello del Friuli**");

Banca di Credito Cooperativo di Gaudio di Lavello Soc. Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at C.so G. Fortunato, 48/50, 85024 Lavello (PZ), Italy, ABI code n. 08554 ("**BCC Gaudio di Lavello**");

Banca di Credito Cooperativo di Macerone Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Cesenatico 5699, Cesena (FC), Italy, ABI code n. 08626 ("**BCC Macerone**");

Banca della Marca - Credito Cooperativo - Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via G. Garibaldi, 46, 31010 Orsago (TV), Italy, ABI code n. 7084.7 ("**BCC Marca**");

Banca di Credito Cooperativo del Metauro Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via G. Matteotti 4, 61038, Orciano di Pesaro (PU), ABI code n. 8700.7 ("**BCC Metauro**");

Banca di Monastier e del Sile - Credito Cooperativo - Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Roma 21/A, Monastier di Treviso (TV), Italy, ABI code no. 07074 ("**BCC Monastier e del Sile**");

Banca Monteriggioni Credito Cooperativo Soc. Coop., a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Cassia Nord n. 2/4/6, Monteriggioni (SI), Italy, ABI code n. 08673 ("**BCC Monteriggioni**");

Banca di Credito Cooperativo di Ostra e Morro d'Alba S. Coop., a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Mazzini 93, Ostra (AN), Italy, ABI code n. 08704 ("**BCC Ostra e Morro d'Alba**");

Banca di Credito Cooperativo di Pergola Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at Viale Martiri della Libertà n. 46/B, 61045, Pergola, ABI code n. 08731 ("**BCC Pergola**");

Banca Credito Cooperativo Pordenonese, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Trento 1, 33082, Azzano Decimo (PN), Italy, ABI code n. 3120.30 ("**BCC Pordenonese**");

Banca di Credito Cooperativo di Pratola Peligna Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Gramsci 136, Pratola Peligna, Italy, ABI code n. 08747 ("**BCC Pratola Peligna**");

Banca di Credito Cooperativo di Sesto San Giovanni Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Benedetto Croce 5, 20099, Sesto San Giovanni, Milan, Italy, ABI code n. 08865 ("**BCC Sesto San Giovanni**");

Banca di Credito Cooperativo di Signa Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at Piazza Michelacci 6, Signa (FI), Italy, ABI code n. 08866 ("**BCC Signa**");

Banca Suasa - Credito Cooperativo - Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Vittorio Emanuele 1, Frazione San Michele al Fiume 61040, Mondavio (PU), Italy, ABI code n. 8839 ("**BCC Suasa**"); and

Credito Trevigiano Banca di Credito Cooperativo Società Cooperativa, a bank incorporated in Italy as a *società cooperativa*, whose registered office is at via Roma 15, Veduggio (TV), Italy, ABI code n. 08917 ("**BCC Trevigiano**").

**CF LIMITED RECOURSE
LOAN PROVIDERS**

BCC Alta Brianza Alzate Brianza, BCC Alto Reno, BCC Asciano, BCC Bassa Friulana, BCC Bolognese, BCC Brendola, BCC Campiglia dei Berici, BCC Cantù, BCC Cartura, BCC San Giorgio, BCC Fiumicello ed Aiello del Friuli, BCC Gaudio di Lavello, BCC Macerone, BCC Marca, BCC Metauro, BCC Monastier e del Sile, BCC Monteriggioni, BCC Ostra e Morro d'Alba, BCC Pergola, BCC Pordenonese, BCC Pratola Peligna, BCC Sesto San Giovanni, BCC Signa, BCC Suasa and BCC Trevigiano.

CF LIQUIDITY PROVIDERS	BCC Alta Brianza Alzate Brianza, BCC Alto Reno, BCC Asciano, BCC Bassa Friulana, BCC Bolognese, BCC Brendola, BCC Campiglia dei Berici, BCC Cantù, BCC Cartura, BCC San Giorgio , BCC Fiumicello ed Aiello del Friuli, BCC Gaudiano di Lavello, BCC Macerone, BCC Marca, BCC Metauro, BCC Monastier e del Sile, BCC Monteriggioni, BCC Ostra e Morro d’Alba, BCC Pergola, BCC Pordenonese, BCC Pratola Peligna, BCC Sesto San Giovanni, BCC Signa, BCC Suasa and BCC Trevigiano.
CF PLACEMENT AGENT	ICCREA Banca
CF QUOTAHOLDERS	Stichting Melograno 3 and Stichting Melograno 4.
CF SERVICERS	BCC Alta Brianza Alzate Brianza, BCC Alto Reno, BCC Asciano, BCC Bassa Friulana, BCC Bolognese, BCC Brendola, BCC Campiglia dei Berici, BCC Cantù, BCC Cartura, BCC San Giorgio , BCC Fiumicello ed Aiello del Friuli, BCC Gaudiano di Lavello, BCC Macerone, BCC Marca, BCC Metauro, BCC Monastier e del Sile, BCC Monteriggioni, BCC Ostra e Morro d’Alba, BCC Pergola, BCC Pordenonese, BCC Pratola Peligna, BCC Sesto San Giovanni, BCC Signa, BCC Suasa and BCC Trevigiano.
CF SWAP COUNTERPARTY	Société Générale, or any other person from time to time acting as CF Swap Counterparty.
CO-ARRANGERS	Société Générale Corporate & Investment Banking whose registered office is at 41 Tower Hill, London EC3N 4SG, United Kingdom, Dexia Capital Markets whose registered office is at Boulevard Pachéco 44, 1000 Bruxelles, Cassa Centrale and ICCREA Banca.
INTERMEDIATE NOTE AGENT BANK	Deutsche Bank AG, London Branch whose registered office is at Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom, or any other person from time to time acting as Intermediate Note Agent Bank.
INTERMEDIATE NOTE CASH MANAGER	Deutsche Bank AG, London Branch or any other person from time to time acting as Intermediate Note Cash Manager.
INTERMEDIATE NOTE COMPUTATION AGENT	Deutsche Bank AG, London Branch or any other person from time to time acting as Intermediate Note Computation Agent.
INTERMEDIATE NOTE CORPORATE SERVICES PROVIDER	FIS Fiduciaria Generale S.p.A. , whose registered office is at via San Vito 7, 20123, Milan, Italy, acting through its office at Largo Chigi 5, 00187 Rome, Italy, or any other person from time to time acting as Intermediate Note Corporate Services Provider.
INTERMEDIATE NOTE ENGLISH TRANSACTION BANK	Deutsche Bank AG, London Branch or any other person from time to time acting as Intermediate Note English Transaction Bank.

INTERMEDIATE NOTE ISSUERS	CF Intermediate Note Issuer and CC Intermediate Note Issuer.
INTERMEDIATE NOTE ITALIAN PAYING AGENT	Deutsche Bank S.p.A. whose registered office is at Piazza del Calendario 3, 20126 Milan, Italy, or any other person from time to time acting as the Intermediate Note Italian Paying Agent.
INTERMEDIATE NOTE PAYING AGENTS	Intermediate Note Principal Paying Agent and Intermediate Note Italian Paying Agent.
INTERMEDIATE NOTE PRINCIPAL PAYING AGENT	Deutsche Bank AG, London Branch or any other person from time to time acting as Intermediate Note Principal Paying Agent.
INTERMEDIATE NOTE SECURITY TRUSTEE	Deutsche Trustee Company Limited whose registered office is at Winchester House, 1 Great Winchester Street, EC2N 2DB London, United Kingdom, or any other person from time to time acting as Intermediate Note Security Trustee.
INTERMEDIATE NOTE STICHTING CORPORATE SERVICES PROVIDER	SPV Management Limited a private limited liability company incorporated under the laws of England, whose office is at Tower 42, Level 11, 25 Old Broad Street, London EC2N 1HQ, United Kingdom, or any other person from time to time acting as Intermediate Note Stichting Corporate Services Provider.
INTERMEDIATE NOTE TRANSACTION BANK	Deutsche Bank S.p.A. , or any other person from time to time acting as Intermediate Note Transaction Bank.
INVESTOR NOTE AGENT BANK	Deutsche Bank AG, London Branch or any other person from time to time acting as Investor Note Agent Bank.
INVESTOR NOTE AGENTS	Investor Note Principal Paying Agent, Investor Note Agent Bank, Investor Note Custodian and Luxembourg Paying Agent.
INVESTOR NOTE CUSTODIAN	Deutsche Bank S.p.A. , or any other person from time to time acting as Investor Note Custodian.
INVESTOR NOTE ISSUER	BCC Mortgages PLC , a public limited liability company incorporated in Ireland established for the purposes of the Transaction, whose registered office is at Trinity House, Charleston Road, Ranelagh, Dublin 6, Ireland.
INVESTOR NOTE ISSUER ADMINISTRATOR	Structured Finance Management (Ireland) Limited whose office is at Trinity House, Charleston Road, Ranelagh, Dublin 6, Ireland, or any other person from time to time acting as Investor Note Issuer Administrator.
INVESTOR NOTE PRINCIPAL PAYING AGENT	Deutsche Bank AG, London Branch , or any other person from time to time acting as Investor Note Principal Paying Agent.
INVESTOR NOTES SUBSCRIBER	Société Générale, London Branch.

INVESTOR NOTE TRUSTEE	Deutsche Trustee Company Limited , or any other person from time to time acting as Investor Note Trustee.
LEAD MANAGER	Société Générale, London Branch.
LUXEMBOURG PAYING AGENT	Deutsche Bank Luxembourg S.A. whose office is at 2, boulevard Konrad Ardenauer L-1115, Luxembourg or any other person from time to time acting as agent as Luxembourg paying agent.
PLACEMENT AGENTS	CF Placement Agent and CC Placement Agent.
ORIGINATORS	CF Originators and CC Originators.
REPRESENTATIVE OF THE NOTEHOLDERS	Deutsche Trustee Company Limited or any other person from time to time acting as Representative of the Noteholders.

TRANSACTION SUMMARY INFORMATION

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

DESCRIPTION OF THE INVESTOR NOTES

TITLE	<p>The Investor Notes will be issued by the Investor Note Issuer on the Investor Note Issue Date in the following classes (each a "Class"): </p> <p>Euro 996,050,000 Class A Secured Floating Rate Investor Notes due March 2038; and</p> <p>Euro 42,400,000 Class B Secured Floating Rate Investor Notes due March 2038.</p>						
INVESTOR NOTE ISSUE PRICE	<p>The Investor Notes will be issued at the following percentages of their principal amount:</p> <table><thead><tr><th><u>Class</u></th><th><u>Issue Price</u></th></tr></thead><tbody><tr><td>Class A</td><td>100%</td></tr><tr><td>Class B</td><td>100%</td></tr></tbody></table>	<u>Class</u>	<u>Issue Price</u>	Class A	100%	Class B	100%
<u>Class</u>	<u>Issue Price</u>						
Class A	100%						
Class B	100%						
INTEREST	<p>The rate of interest applicable from time to time in respect of the Investor Notes (the "Interest Rate") will be EURIBOR for three month deposits in Euro (or in the case of the Initial Interest Period, the linear interpolation between the EURIBOR for 6 month and 7 month deposits in Euro) plus the following relevant margin:</p> <p>0.16 % per annum in respect of the Class A Investor Notes; and</p> <p>0.46 % per annum in respect of the Class B Investor Notes.</p>						
PAYMENT DATE	<p>Subject to the priority of payments and to the extent of the Investor Note Issuer Available Funds on the applicable date interest is payable in respect of the Investor Notes, quarterly in arrears in Euro on 12 March, 12 June, 12 September and 12 December in each year or, if such date is not a Business Day, on the following Business Day (each such date a "Payment Date"). The first payment of interest under the Notes will be due and payable on the Payment Date falling on 12 December 2006 (the "First Payment Date") and will relate to the period from (and including) the Investor Note Issue Date to (but excluding) such Payment Date.</p>						

**FORM AND
DENOMINATION**

The Investor Notes will be held in bearer form in denominations of Euro 50,000. Each Class of Investor Notes will initially be represented by a Temporary Global Note, which is expected to be issued on or about the Investor Note Issue Date. Interests in the Temporary Global Note are exchangeable 40 days after the Investor Note Issue Date (provided that certification of non-US beneficial ownership has been received) for interests in a Permanent Global Note representing the relevant Class of Investor Notes. The Investor Notes will be deposited with Deutsche Bank AG, London Branch as common depositary for Euroclear and Clearstream, Luxembourg, on the Investor Note Issue Date. The Permanent Global Notes will be exchangeable, in whole but not in part, for Investor Notes in definitive form of the relevant Class only in certain limited circumstances as described in the Investor Note Trust Deed.

STATUS

The Investor Notes will be direct, secured, limited recourse obligations of the Investor Note Issuer. With respect to the obligation of the Investor Note Issuer to repay principal and to pay interest on the Investor Notes, the Investor Note Conditions provide that the Class A Investor Notes will rank *pari passu* and without any preference or priority among themselves and the Class B Investor Notes will rank *pari passu* and without any preference or priority among themselves. Only upon the enforcement of the Investor Notes will the Class B Investor Notes be subordinated to the Class A Investor Notes in accordance with the Acceleration Order of Priority. Principal on the Investor Notes will be reimbursed and interest accrued thereon will be paid out of available funds deriving from payments, collections and recoveries on the Intermediate Notes.

**INVESTOR NOTE
ISSUER AVAILABLE
FUNDS**

In respect of each Payment Date, the aggregate of:

- (i) the Available Class A Investor Note Interest Funds;
- (ii) the Available Class B Investor Note Interest Funds;
- (iii) the Available Class A Investor Note Principal Funds;
- (iv) the Available Class B Investor Note Principal Funds;
- (v) the Available Investor Note Expense Funds; and
- (vi) any proceeds arising from the sale of the Investor Note Collateral and all other amounts received from the Intermediate Note Issuers or any other party during the Collection Period ending on such Payment Date.

**AVAILABLE CLASS A
INVESTOR NOTE
INTEREST FUNDS**

All amounts received in the Class A Investor Note Interest Account in respect of interest payments on the Class A Intermediate Notes during the Collection Period ending on each Payment Date.

**AVAILABLE CLASS B
INVESTOR NOTE
INTEREST FUNDS**

All amounts received in the Class B Investor Note Interest Account in respect of interest payments on the Class B Intermediate Notes during the Collection Period ending on each Payment Date.

AVAILABLE CLASS A INVESTOR NOTE PRINCIPAL FUNDS	All amounts received in the Class A Investor Note Principal Account in respect of the Class A Intermediate Notes during the Collection Period ending on each Payment Date.
AVAILABLE CLASS B INVESTOR NOTE PRINCIPAL FUNDS	All amounts received in the Class B Investor Note Principal Account in respect of the Class B Intermediate Notes during the Collection Period ending on each Payment Date.
AVAILABLE INVESTOR NOTE EXPENSE FUNDS	All amounts standing to the credit of the Investor Note Expenses Account.
ACCOUNTS HELD WITH THE INVESTOR NOTE AGENT BANK	<p>The Investor Note Issuer has directed the Investor Note Agent Bank to establish, maintain and operate the following accounts as separate accounts in the name of the Investor Note Issuer:</p> <ul style="list-style-type: none"> (i) an account (the "Investor Note Expenses Account") into which the CF Intermediate Note Issuer and the CC Intermediate Note Issuer will pay amounts in respect of taxes, fees, costs and expenses required to be paid by the Investor Note Issuer during each Interest Period; (ii) an account (the "Class A Investor Note Interest Account") into which all amounts received by the Investor Note Issuer in respect of interest on the Class A Intermediate Notes will be credited; (iv) an account (the "Class B Investor Note Interest Account") into which all amounts received by the Investor Note Issuer in respect of interest on the Class B Intermediate Notes will be credited; (v) an account (the "Class A Investor Note Principal Account") into which all amounts received by the Investor Note Issuer in respect of principal on the Class A Intermediate Notes will be credited; and (vi) an account (the "Class B Investor Note Principal Account") into which all amounts received by the Investor Note Issuer in respect of principal payments on the Class B Intermediate Notes will be credited.

**PRE-ACCELERATION
APPLICATION OF
PROCEEDS**

The Available Investor Note Expense Funds shall be applied on each Payment Date or as and when the same fell due and are required to be paid (*pari passu* and *pro rata* to the extent of the respective amounts thereof), to pay (i) all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Investor Note Issuer or to maintain it in good standing or to comply with applicable legislation and regulations (ii) thereafter and subject to payment of the amounts specified above (*pari passu* and *pro rata* to the extent of the respective amounts thereof), to pay all costs and taxes required to be paid to maintain the rating of the Investor Notes and in connection with the registration and deposit of the Investor Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents (iii) thereafter and subject to payment of the amounts specified above (*pari passu* and *pro rata* to the extent of the respective amounts thereof), to pay the fees, expenses and all other amounts due to the Investor Note Trustee (iv) thereafter and subject to payment of the amounts specified above (*pari passu* and *pro rata* to the extent of the respective amounts thereof), to pay the fees, expenses and all other amounts due to the Investor Note Agents and the Investor Note Issuer Administrator.

The Available Class A Investor Note Interest Funds shall be applied on each Payment Date to pay all amounts of interest due and payable on the Class A Investor Notes on such Payment Date (*pro rata* according to the amounts then due).

The Available Class B Investor Note Interest Funds shall be applied on each Payment Date to pay all amounts of interest due and payable on the Class B Investor Notes on such Payment Date (*pro rata* according to the amounts then due).

The Available Class A Investor Note Principal Funds shall be applied on each Payment Date to pay the outstanding principal amount of the Class A Investor Notes with respect to such Payment Date.

The Available Class B Investor Note Principal Funds shall be applied on each Payment Date to pay the outstanding principal amount of the Class B Investor Notes with respect to such Payment Date.

The Investor Note Issuer Available Funds (if any) not otherwise applied or required to be applied in accordance with the above paragraphs shall be applied on each Payment Date: first, to pay all amounts of interest and principal due and payable on the Most Senior Class of Investor Notes; and second, after the full and final redemption of all the Investor Notes, to the Intermediate Note Issuers equally.

**ACCELERATION ORDER
OF PRIORITY**

Following the delivery of a Default Notice or in the case of Redemption for Taxation, the Investor Note Issuer Available Funds shall be applied on each Payment Date in making the following payments in the following order of priority (in each case, only if and to the extent that payments of a higher priority have been made in full):

First, (pari passu and pro rata to the extent of the respective amounts thereof), to pay (i) all costs, fees and expenses incurred by the Investor Note Trustee or any receiver appointed in the enforcement of the Investor Note Collateral or otherwise arising from the acceleration of the Investor Notes; (ii) all taxes and expenses required by law to be paid;

Second, (pari passu and pro rata to the extent of the respective amounts thereof) to pay the fees, expenses and all other amounts due to the Investor Note Trustee;

Third, (pari passu and pro rata to the extent of the respective amounts thereof) to pay the fees, expenses and all other amounts due to the Investor Note Agents and the Investor Note Issuer Administrator;

Fourth, to pay all amounts of interest due and payable on the Class A Investor Notes on such Payment Date (pro rata according to the amounts then due);

Fifth, to pay the outstanding principal amount on the Class A Investor Notes on such Payment Date (pro rata according to the amounts then due);

Sixth, to pay all amounts of interest due and payable on the Class B Investor Notes on such Payment Date (pro rata according to the amounts then due);

Seventh, to pay the outstanding principal amount on the Class B Investor Notes on such Payment Date (pro rata according to the amounts then due); and

Eighth, to pay any surplus to the Intermediate Note Issuers equally.

EVENTS OF DEFAULT

If any of the following events (each an "**Event of Default**") occurs:

- (a) *Non-payment:*
 - (i) the Investor Note Issuer defaults in the payment of the amount of principal then due and payable on any of the Investor Notes for a period of five Business Days from the due date thereof;
 - (ii) the Investor Note Issuer defaults in the payment of the amount of interest then due and payable on the Most Senior Class of Investor Notes for a period of three Business Days from the due date thereof; or
- (b) *Breach of other obligations:*

the Investor Note Issuer defaults in the performance or observance of any of its obligations under or in respect of the Investor Notes or any of the Transaction Documents to which it is a party (other than any obligation for the payment of principal or interest on the Investor Notes) and such default remains unremedied for 30 days after the Investor Note Trustee has given written notice thereof to the Investor Note Issuer, certifying that such default is, in the opinion of the Investor Note Trustee, materially detrimental to the interests of the Noteholders and requiring the same to be remedied; or

(c) *Insolvency etc.:*

- (i) an administrator, administrative receiver or liquidator of the Investor Note Issuer or of the whole or any substantial part of the undertakings, assets and/or revenues of the Investor Note Issuer is appointed or the Investor Note Issuer becomes subject to any bankruptcy, liquidation, administration, insolvency, composition, reorganisation, examinership or similar proceedings or application is made for the commencement of any such proceedings or an encumbrancer takes possession of the whole or any substantial part of the undertakings or assets of the Investor Note Issuer;
- (ii) proceedings are initiated against the Investor Note Issuer under any applicable bankruptcy, liquidation, administration, insolvency, composition, reorganisation, examinership or similar laws and proceedings are not, in the opinion of the Investor Note Trustee, being disputed in good faith;
- (iii) the Investor Note Issuer takes any action for a readjustment or deferment of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or is granted by a competent court a moratorium in respect of its indebtedness or any guarantee of its indebtedness given by it or applies for bankruptcy or suspension of payments; or

(d) *Winding up etc.:*

An order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Investor Note Issuer except a winding up for the purposes of or pursuant to an amalgamation or reconstruction, the terms of which have been previously approved in writing by the Investor Note Trustee or by an Extraordinary Resolution of the Noteholders; or

(e) *Trigger Notice under Intermediate Notes:*

A Trigger Notice is served in respect of the CF Intermediate Notes or the CC Intermediate Notes, in each case as described in the Intermediate Note Conditions relating thereto; or

(f) *Unlawfulness:*

It is or will become unlawful (in any respect deemed by the Investor Note Trustee to be material) for the Investor Note Issuer to perform or comply with any of its obligations under or in respect of the Investor Notes or any of the Investor Note Transaction Documents to which it is a party;

then the Investor Note Trustee may and shall, if so requested in writing by Noteholders holding at least 60% of the outstanding principal amount of the Investor Notes, give a written notice (a "**Default Notice**") to the Investor Note Issuer declaring that the Investor Notes have immediately become due and payable at their outstanding principal amount, together with accrued interest, and that the Acceleration Order of Priority shall apply. Notwithstanding the foregoing, upon the occurrence of an Event of Default pursuant to paragraph (e) above, the Investor Note Trustee is required to deliver a Default Notice to the Investor Note Issuer.

Following the delivery of a Default Notice, without any further action or formality, on the immediately following Payment Date, and on each Payment Date thereafter, all payments of principal, interest and other amounts due with respect to the Investor Notes shall be made in accordance with the Acceleration Order of Priority.

FINAL REDEMPTION

To the extent not otherwise redeemed, the Investor Note Issuer shall redeem in whole the outstanding principal amount of the Investor Notes on the Payment Date falling in March 2038 (the "**Investor Note Final Maturity Date**").

"**outstanding**" means, in relation to the Investor Notes, all the Investor Notes which have been issued other than:

- (i) those which have been redeemed in accordance with the Investor Note Conditions;
- (ii) those in respect of which all amounts due and payable have been discharged in full in accordance with the Investor Note Conditions;
- (iii) those in respect of which the date for redemption in accordance with the Investor Note Conditions has occurred and for which the redemption monies (including all interest accrued thereon to the date for such redemption) have been duly paid to the Investor Note Trustee or to the Investor Note Principal Paying Agent as provided in the Investor Note Agency Agreement (and, where appropriate, notice has been given to the Noteholders) and remain available for payment against presentation of the Investor Notes;

- (iv) those which have become void or been cancelled in accordance with the Investor Note Conditions;
- (v) the relevant Temporary Global Note to the extent that it has been exchanged for the relevant Permanent Global Note pursuant to its provisions;
- (vi) the relevant Permanent Global Note to the extent that it has been exchanged for the relevant Definitive Notes pursuant to its provisions;
- (vii) those defaced or mutilated Investor Notes which have been surrendered and cancelled and in respect of which replacement Investor Notes have been issued in accordance with the Investor Note Conditions; and
- (viii) (for the purpose only of ascertaining the principal amount of the Investor Notes outstanding and without prejudice to their status for any other purpose) those Investor Notes which are alleged to have been lost, stolen or destroyed and with respect to which replacements have been issued pursuant to the Investor Note Conditions.

If any Class of the Investor Notes cannot be redeemed in full on the Investor Notes Final Maturity Date, any amount outstanding whether in respect of interest, principal or other amounts in relation to the Investor Notes shall be finally and definitely cancelled.

**MANDATORY
REDEMPTION**

The Class A Investor Notes will be subject to mandatory redemption on any Payment Date to the extent of all principal payments received in relation to the Class A Investor Notes and held in the Class A Investor Note Principal Account on such date and the Class B Investor Notes will be subject to mandatory redemption on any Payment Date to the extent of all principal payments received in relation to the Class B Investor Notes and held in the Class B Investor Note Principal Account on such date, provided that at any time following the delivery of a Default Notice, the Acceleration Order of Priority will apply.

**REDEMPTION FOR
TAXATION**

If the Investor Note Issuer has provided the Investor Note Trustee with: (i) a legal opinion in form and substance satisfactory to the Investor Note Trustee from a firm of lawyers (approved in writing by the Investor Note Trustee); and (ii) a certificate from the legal representative of the Investor Note Issuer, to the effect that the Investor Note Issuer:

- (i) would be required on the next Payment Date to deduct or withhold from any payment of principal or interest on the Investor Notes, any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed (or those amounts payable to the Investor Note Issuer in respect of the Intermediate Notes would be subject to withholding or deduction); or
- (ii) any of the Intermediate Note Issuers has become liable to *imposta sul reddito delle società (IRES)* or to *imposta regionale sulle attività produttive (IRAP)* with respect to income arising from any of the underlying assets in respect of the Portfolios;

in each case provided the Investor Note Issuer will have the necessary funds (not subject to the interests of any other person) to discharge all of its outstanding liabilities with respect to the relevant Class of Investor Notes and any amounts required to be paid in priority to, or *pari passu* with, such Investor Notes, the Investor Note Issuer may, on the first Payment Date on which such necessary funds become available to it, redeem the relevant Class of Investor Notes (in whole but not in part) at their outstanding principal amount together with all accrued but unpaid interest thereon up to and including the relevant Payment Date and on such Payment Date the Acceleration Order of Priority will become applicable, provided that, prior to such Payment Date, (a) the Investor Note Issuer shall have given prior written notice to the Investor Note Trustee and to the Noteholders in accordance with Investor Note Condition 11 (*Notices*), and (b) Noteholders holding at least 75% of the outstanding principal amount of the Most Senior Class of Investor Notes, shall have instructed the Investor Note Issuer to redeem the Investor Notes (in whole but not in part).

**SALE OF THE
INTERMEDIATE NOTES**

If, in the following circumstances:

- (i) in the case of Redemption for Taxation pursuant to Investor Note Condition 6.2; or
- (ii) after a Default Notice has been served on the Investor Note Issuer pursuant to Investor Note Condition 9, Noteholders holding at least 75% of the outstanding principal amount of the Most Senior Class of Investor Notes resolve to request the Investor Note Issuer to sell all (but not part) of the Intermediate Notes to one or more third parties,

the Investor Note Issuer will be authorised, with the assistance of the Investor Note Trustee, to search for potential purchasers of all (but not only some) of the Intermediate Notes. In addition, following the delivery of a Default Notice, the Investor Note Trustee shall be entitled to sell the Intermediate Notes. Should such a sale of the Intermediate Notes take place, the proceeds of such sale shall be treated by the Investor Note Issuer as Investor Note Issuer Available Funds and shall be applied to payments due to be made by the Investor Note Issuer according to the Acceleration Order of Priority.

**SECURITY FOR THE
INVESTOR NOTES**

As security for the payment of, *inter alia*, all monies in respect of the Investor Notes and otherwise under the Investor Note Trust Deed the Investor Note Issuer with full title guarantee and as continuing security grants the following rights (the "**Investor Note Collateral**") pursuant to the Note Trust Deed in favour of the Investor Note Trustee for itself and for the benefit of the other Investor Note Secured Creditors:

- (i) an Italian law pledge (pegno regolare) of the Intermediate Notes, pursuant to (i) the first paragraph of article 31 of the Italian legislative decree no. 213/1998 (as amended and supplemented), (ii) article 45 of CONSOB regulation no. 11768/1998 (as amended and supplemented), and (iii) Italian legislative decree 170/2004 (as amended and supplemented);
- (ii) a first fixed charge of the Intermediate Notes, all debts represented thereby and the right to payment of all interest, principal and other amounts in respect thereof and all rights to the delivery thereof as against the Investor Note Custodian or any other depositary thereof;
- (iii) a first fixed charge of all of the Investor Note Issuer's right, title, interest and benefit in and to (A) all amounts from time to time standing to the credit of the Investor Note Issuer Accounts and (B) all monies held from time to time with the Investor Note Agent Bank for payment of principal, interest and other amounts owing in respect of the Investor Notes;

- (iv) an assignment by way of first fixed security of all of the Investor Note Issuer's right, title and interest present and future in, and all of its rights in respect of, any of the Transaction Documents to which it is a party; and
- (v) a first floating charge over the whole of the assets and undertaking of the Investor Note Issuer to the extent such assets and undertaking are not otherwise subject to any other security interest as described above, and the cash proceeds derived from the issue of the Investor Note Issuer's ordinary share capital.

LIMITED RECOURSE

The Investor Note Secured Obligations (including the Investor Note Issuer's obligations in respect of the Investor Notes) will be limited recourse obligations of the Investor Note Issuer, with recourse limited to the Investor Note Issuer Available Funds. The Investor Notes will not be the obligation or responsibility of, or insured or guaranteed by, any other person or entity.

RATINGS

The Class A Investor Notes are expected, on issue, to be rated Aaa by Moody's and AAA by S&P. The Class B Investor Notes are expected, on issue, to be rated A1 by Moody's and A by S&P.

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

**LISTING AND
ADMISSION TO
TRADING**

Application has been made to list and admit to trading the Investor Notes on the Luxembourg Stock Exchange.

TAXATION

Payments under the Intermediate Notes may, in certain circumstances as referred to in the section headed "*Taxation*" of this Offering Circular, be subject to withholding for or on account of tax including, without limitation, a Law 239 Deduction. In such circumstances, a Noteholder of any Class will receive interest payments amounts (if any) payable on the Investor Notes of such Class, net of such withholding tax.

Upon the occurrence of any withholding for or on account of tax from any payments under the Investor Notes, neither the Intermediate Note Issuer nor the Investor Note Issuer nor any other Person shall have any obligation to pay any additional amount(s) to any Noteholder of any Class.

GOVERNING LAW

The Investor Notes will be governed by English law (except for Investor Note Condition 3(i) (relating to the pledge of the Intermediate Notes) which will be governed by Italian law).

DESCRIPTION OF THE INTERMEDIATE NOTES

INTERMEDIATE NOTES

The principal source of payment of interest and principal on the Investor Notes will be payments of interest and principal on the following Intermediate Notes:

Credico Finance 6 S.r.l.

Euro 563,985,000 Class A Asset Backed Floating Rate Notes due March 2038.

Euro 24,000,000 Class B Asset Backed Floating Rate Notes due March 2038.

Cassa Centrale Finance S.r.l.

Euro 432,065,000 Class A Asset Backed Floating Rate Notes due March 2038.

Euro 18,400,000 Class B Asset Backed Floating Rate Notes due March 2038.

Each of the Intermediate Notes is secured on rights arising from Portfolios of Claims as described below.

LISTING AND ADMISSION TO TRADING

The Intermediate Notes will not be listed nor admitted to trading on any stock exchange or any other regulated market.

CF PORTFOLIOS

The principal source of payment of interest and principal on the CF Intermediate Notes will be recoveries and collections made in respect of the following portfolios of monetary claims and connected rights arising under mortgage loan agreements purchased by the CF Intermediate Note Issuer pursuant to the CF Transfer Agreements:

Portfolio No. 1, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC Alta Brianza Alzate Brianza;

Portfolio No. 2, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC Alto Reno;

Portfolio No. 3, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC Asciano;

Portfolio No. 4, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC Bassa Friulana;

Portfolio No. 5, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC Bolognese;

Portfolio No. 6, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC Brendola;

Portfolio No. 7, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC Campiglia dei Berici;

Portfolio No. 8, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC Cantù;

Portfolio No. 9, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC Cartura;

Portfolio No. 10, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC San Giorgio ;

Portfolio No. 11, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC Fiumicello ed Aiello del Friuli;

Portfolio No. 12, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC Gaudio di Lavello;

Portfolio No. 13, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC Macerone;

Portfolio No. 14, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC Marca;

Portfolio No. 15, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC Metauro;

Portfolio No. 16, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC Monastier e del Sile;

Portfolio No. 17, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC Monteriggioni;

Portfolio No. 18, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC Ostra e Morro d'Alba;

Portfolio No. 19, the portfolio of Claims which are sold to the I CF Intermediate Note Issuer by BCC Pergola;

Portfolio No. 20, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC Pordenonese;

Portfolio No. 21, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC Pratola Peligna;

Portfolio No. 22, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC Sesto San Giovanni;

Portfolio No. 23, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC Signa;

Portfolio No. 24, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC Suasa; and

Portfolio No. 25, the portfolio of Claims which are sold to the CF Intermediate Note Issuer by BCC Trevigiano (collectively the "**CF Portfolios**").

The claims comprised in each of the CF Portfolios are claims arising under loan agreements which on 31 March 2006 (the "**CF Valuation Date**") were all performing claims (the "**CF Claims**", which term, for the purposes of this Offering Circular will be deemed to include any CF Claim which, after the CF Valuation Date, has become or will become non performing).

CC PORTFOLIOS

The principal source of payment of interest and principal on the CC Intermediate Notes will be recoveries and collections made in respect of the following portfolios of monetary claims and connected rights arising under mortgage loan agreements purchased by the CC Intermediate Note Issuer pursuant to the CC Transfer Agreements:

Portfolio No. 1, the portfolio of Claims which are sold to the CC Intermediate Note Issuer by BCC Alto Garda;

Portfolio No. 2, the portfolio of Claims which are sold to the CC Intermediate Note Issuer by BCC Alto Vicentino;

Portfolio No. 3, the portfolio of Claims which are sold to the CC Intermediate Note Issuer by BCC Bolzano;

Portfolio No. 4, the portfolio of Claims which are sold to the CC Intermediate Note Issuer by BCC Cavola e Sassuolo;

Portfolio No. 5, the portfolio of Claims which are sold to the CC Intermediate Note Issuer by BCC Folgaria;

Portfolio No. 6, the portfolio of Claims which are sold to the CC Intermediate Note Issuer by BCC Lavis;

Portfolio No. 7, the portfolio of Claims which are sold to the CC Intermediate Note Issuer by BCC Marcon;

Portfolio No. 8, the portfolio of Claims which are sold to the CC Intermediate Note Issuer by BCC Mezzocorona;

Portfolio No. 9, the portfolio of Claims which are sold to the CC Intermediate Note Issuer by BCC Mezzolombardo;

Portfolio No. 10, the portfolio of Claims which are sold to the CC Intermediate Note Issuer by BCC Pergine;

Portfolio No. 11, the portfolio of Claims which are sold to the CC Intermediate Note Issuer by BCC Pinetana;

Portfolio No. 12, the portfolio of Claims which are sold to the CC Intermediate Note Issuer by BCC Prealpi;

Portfolio No. 13, the portfolio of Claims which are sold to the CC Intermediate Note Issuer by BCC Rovereto;

Portfolio No. 14, the portfolio of Claims which are sold to the CC Intermediate Note Issuer by BCC Tione;

Portfolio No. 15, the portfolio of Claims which are sold to the CC Intermediate Note Issuer by BCC Val di Fassa;

Portfolio No. 16, the portfolio of Claims which are sold to the CC Intermediate Note Issuer by BCC Valle dei Laghi;

Portfolio No. 17, the portfolio of Claims which are sold to the CC Intermediate Note Issuer by BCC Valsabbia; and

Portfolio No. 18, the portfolio of Claims which are sold to the CC Intermediate Note Issuer by BCC Veneziano (collectively the "**CC Portfolios**").

The claims comprised in each of the CC Portfolios are claims arising under loan agreements which on 10 April 2006 (the "**CC Valuation Date**") were all performing claims (the "**CC Claims**", which term, for the purposes of this Offering Circular will be deemed to include any CC Claim which, after the CC Valuation Date, has become or will become non performing).

DESCRIPTION OF THE TRANSACTION DOCUMENTS

INVESTOR NOTE SUBSCRIPTION AGREEMENT

Pursuant to a subscription agreement to be entered into on or prior to the Investor Note Issue Date, between the Investor Note Issuer, the Placement Agents and the Lead Manager (the "**Investor Note Subscription Agreement**") the Lead Manager shall subscribe for the Investor Notes and pay the Investor Note Issuer the Investor Note Issue Price for the Investor Notes on the Investor Note Issue Date. The Placement Agents will assist the Lead Manager in procuring purchasers for the Investor Notes. See for further details "*Description of the Corporate Documents*".

INVESTOR NOTE TRUST DEED

Pursuant to a trust deed to be entered into on or prior to the Investor Note Issue Date between the Investor Note Issuer and the Investor Note Trustee (the "**Investor Note Trust Deed**"), the Investor Note Issuer has constituted and secured the Investor Notes in favour of the Investor Note Trustee on behalf of the Noteholders and the other Investor Note Secured Creditors. See for further details "*Description of the Security Agreements*".

INVESTOR NOTE ACCOUNT MANAGEMENT AGREEMENT

Pursuant to an account management agreement entered into on or prior to the Investor Note Issue Date between the Investor Note Issuer, the Investor Note Agent Bank and the Investor Note Trustee (the "**Investor Note Account Management Agreement**"), certain account management services will be provided to the Investor Note Issuer. See for further details "*Description of the Other Transaction Documents*".

**INVESTOR NOTE
AGENCY AGREEMENT**

Pursuant to an agency agreement entered into on or prior to the Investor Note Issue Date between the Investor Note Issuer, the Investor Note Agents and the Investor Note Trustee (the "**Investor Note Agency Agreement**"), the Investor Note Agents will provide certain agency and custody services in respect of the Investor Notes. See for further details "*Description of the Other Transaction Documents.*"

**INVESTOR NOTE
ISSUER
ADMINISTRATION
AGREEMENT**

Pursuant to an administration agreement entered into on or prior to the Investor Note Issue Date between the Investor Note Issuer, the Investor Note Issuer Administrator and the Investor Note Trustee (the "**Investor Note Issuer Administration Agreement**"), the Investor Note Issuer Administrator will provide certain corporate administration services to the Investor Note Issuer. See for further details "*Description of the Other Transaction Documents.*"

**PAYMENTS
UNDERTAKING
AGREEMENT**

Pursuant to a payments undertaking agreement entered into on or prior to the Intermediate Note Issue Date between the Investor Note Issuer and the Intermediate Note Issuers (the "**Payments Undertaking Agreement**"), the Intermediate Note Issuers undertake to pay certain expenses and shortfalls of the Investor Note Issuer. See for further details "*Description of the Other Transaction Documents.*"

**CF SUBSCRIPTION
AGREEMENT**

Pursuant to a subscription agreement to be entered into on or prior to the Intermediate Note Issue Date, between the CF Intermediate Note Issuer, the Representative of Noteholders, the Investor Notes Subscriber, the CF Originators, the Investor Note Issuer and the Intermediate Note Security Trustee (the "**CF Subscription Agreement**"), the Investor Note Issuer shall subscribe for the CF Intermediate Notes and pay the CF Intermediate Note Issuer the issue price for the CF Intermediate Notes on the Intermediate Note Issue Date and will appoint the Representative of the Noteholders to act as the representative of the Investor Note Issuer, subject to the conditions set out therein. See for further details "*Description of the Corporate Documents.*"

**CC SUBSCRIPTION
AGREEMENT**

Pursuant to a subscription agreement to be entered into on or prior to the Intermediate Note Issue Date, between the CC Intermediate Note Issuer, the Representative of Noteholders, the Investor Notes Subscriber, the CC Originators, the Investor Note Issuer and the Intermediate Note Security Trustee (the "**CC Subscription Agreement**" and, together with the CF Subscription Agreement, the "**Intermediate Note Subscription Agreements**"), the Investor Note Issuer shall subscribe for the CC Intermediate Notes and pay the CC Intermediate Note Issuer the issue price for the CC Intermediate Notes on the Intermediate Note Issue Date and will appoint the Representative of the Noteholders to act as the representative of the Investor Note Issuer, subject to the conditions set out therein. See for further details "*Description of the Corporate Documents.*"

CF TRANSFER AGREEMENTS

Pursuant to twenty-five transfer agreements entered into on 31 May 2006 each between the CF Intermediate Note Issuer and each CF Originator (each a "**CF Transfer Agreement**"), the CF Originators sold to the CF Intermediate Note Issuer without recourse (*pro soluto*) pursuant to Articles 1 and 4 of Law 130, all the monetary claims and connected rights arising under the Mortgage Loans (as defined in the CF Transfer Agreements) originated by the CF Originators, which met certain objective criteria. See for further details "*Description of the Intermediate Note Transfer Agreements*".

CC TRANSFER AGREEMENTS

Pursuant to eighteen transfer agreements entered into on 31 May 2006 each between the CC Intermediate Note Issuer and each CC Originator (each a "**CC Transfer Agreement**" and, together with the CF Transfer Agreements, the "**Intermediate Note Transfer Agreements**"), the CC Originators sold to the CC Intermediate Note Issuer without recourse (*pro soluto*) pursuant to Articles 1 and 4 of Law 130, all the monetary claims and connected rights arising under the Mortgage Loans (as defined in the CC Transfer Agreement) originated by the CC Originators, which met certain objective criteria. See for further details "*Description of the Intermediate Note Transfer Agreements*".

CF WARRANTY AND INDEMNITY AGREEMENT

Pursuant to a warranty and indemnity agreement entered into on 31 May 2006 between the CF Intermediate Note Issuer and the CF Originators (the "**CF Warranty and Indemnity Agreement**"), each of the CF Originators gave certain representations and warranties to the CF Intermediate Note Issuer with regards to, *inter alia*, the monetary claims and connected rights which it sold to the CF Intermediate Note Issuer, its full title over them, its corporate existence and operations, its collection and recovery policy, the Mortgage Loans and the Real Estate Assets (each as defined in the CF Warranty and Indemnity Agreement) securing the same. Each CF Originator furthermore agrees to indemnify and hold harmless the CF Intermediate Note Issuer from and against all damages, losses, claims, liabilities and costs awarded against or suffered or incurred by it or otherwise arising by reason of any misrepresentation or default of the CF Originators under the CF Warranty and Indemnity Agreement and/or the relevant CF Transfer Agreement and/or the CF Servicing Agreement. See for further details "*Description of the Intermediate Warranty and Indemnity Agreements*".

**CC WARRANTY AND
INDEMNITY
AGREEMENT**

Pursuant to a warranty and indemnity agreement entered into on 31 May 2006 between the CC Intermediate Note Issuer and the CC Originators (the "**CC Warranty and Indemnity Agreement**" and, together with the CF Warranty and Indemnity Agreement, the "**Intermediate Note Warranty and Indemnity Agreements**"), each of the CC Originators gave certain representations and warranties to the CC Intermediate Note Issuer with regards to, *inter alia*, the monetary claims and connected rights which it sold to the CC Intermediate Note Issuer, its full title over them, its corporate existence and operations, its collection and recovery policy, the Mortgage Loans and the Real Estate Assets (each as defined in the CC Warranty and Indemnity Agreement) securing the same. Each CC Originator furthermore agrees to indemnify and hold harmless the CC Intermediate Note Issuer from and against all damages, losses, claims, liabilities and costs awarded against or suffered or incurred by it or otherwise arising by reason of any misrepresentation or default of the CC Originators under the CC Warranty and Indemnity Agreement and/or the relevant CC Transfer Agreement and/or the CC Servicing Agreement. See for further details "*Description of the Intermediate Warranty and Indemnity Agreements*".

**CF SERVICING
AGREEMENT AND CF
BACK-UP SERVICING
AGREEMENT**

Pursuant to a servicing agreement entered into on 31 May 2006 between the CF Intermediate Note Issuer and the CF Originators (the "**CF Servicing Agreement**"), the CF Intermediate Note Issuer appointed each CF Originator as servicer (in such capacity a "**CF Servicer**" and collectively with all other servicers, the "**CF Servicers**") to provide the CF Intermediate Note Issuer with administration, collection and recovery services in respect of the relevant CF Portfolio and to verify, among other things, that the payment services to be provided under the Intermediate Note Cash Administration and Agency Agreement comply with Italian law. Under a further servicing agreement between the CF Intermediate Note Issuer, ICCREA Banca and the CF Servicers (the "**CF Back-up Servicing Agreement**") entered into on or prior to Intermediate Note Issue Date, ICCREA Banca S.p.A. has agreed that, should any of the CF Servicers cease to act as servicer of the relevant Portfolio upon the occurrence of certain circumstances, it will itself service such Portfolio on the same terms as provided for in the CF Servicing Agreement. See for further details "*Description of the Intermediate Note Servicing Agreements and the Intermediate Note Back-up Servicing Agreements*".

**CC SERVICING
AGREEMENT AND CC
BACK-UP SERVICING
AGREEMENT**

Pursuant to a servicing agreement entered into on 31 May 2006 between the CC Intermediate Note Issuer and the CC Originators (the "**CC Servicing Agreement**" and, together with the CF Servicing Agreement, the "**Intermediate Note Servicing Agreements**"), the CC Intermediate Note Issuer appointed each CC Originator as servicer (in such capacity a "**CC Servicer**" and collectively with all other servicers, the "**CC Servicers**") to provide the CC Intermediate Note Issuer with administration, collection and recovery services in respect of the relevant CC Portfolio and to verify, among other things, that the payment services to be provided under the Intermediate Note Cash Administration and Agency Agreement comply with Italian law. Under a further servicing agreement between the CC Intermediate Note Issuer, Cassa Centrale and the CC Servicers (the "**CC Back-up Servicing Agreement**" and, together with the CF Back-up Servicing Agreement, the "**Intermediate Note Back-up Servicing Agreements**") entered into on or prior to the Intermediate Note Issue Date, Cassa Centrale has agreed that, should any of the CC Servicers cease to act as servicer of the relevant CC Portfolio upon the occurrence of certain circumstances, it will itself service such CC Portfolio on the same terms as provided for in the CC Servicing Agreement. See for further details "*Description of the Intermediate Note Servicing Agreements and the Intermediate Note Back-up Servicing Agreements*".

**CF CASH
ADMINISTRATION AND
AGENCY AGREEMENT**

Pursuant to a cash administration and agency agreement to be entered into on or prior to the Intermediate Note Issue Date, between the CF Intermediate Note Issuer, the CF Operating Bank, the Intermediate Note Computation Agent, the Intermediate Note Principal Paying Agent, the Intermediate Note Agent Bank, the Intermediate Note Cash Manager, the Investor Note Agent Bank, the Intermediate Note English Transaction Bank, the Intermediate Note Transaction Bank, the Intermediate Note Italian Paying Agent, the Representative of the Noteholders, the CF Servicers and the CF Liquidity Providers (the "**CF Cash Administration and Agency Agreement**"): (i) the Intermediate Note Principal Paying Agent and the Intermediate Note Italian Paying Agent will perform certain services in relation to the CF Intermediate Notes, including arranging for the payment of principal and interest to the holders of the Intermediate Notes; (ii) the Intermediate Note Agent Bank will calculate the amount of interest payable on the CF Intermediate Notes; (iii) the Intermediate Note Computation Agent will provide the CF Intermediate Note Issuer and the Investor Note Agent Bank with other calculations in respect of the CF Intermediate Notes and to set out, in a payment report (the "**CF Payment Report**"), the payments due to be made, *inter alia*, under the CF Intermediate Notes on each Payment Date (as defined in the CF Cash Administration and Agency Agreement); and (iv) the Intermediate Note Operating Banks, the Intermediate Note Transaction Bank, the Intermediate Note English Transaction Bank and the Intermediate Note Cash Manager will provide certain cash administration and investment services, in respect of the amounts standing from time to time, to the credit of the relevant Accounts (as defined in the CF Cash Administration and Agency Agreement). The Investor Note Agent Bank will reconcile the information in the CF Payment Report with the calculations required to be made pursuant to the Investor Note Transaction Documents and any shortfall shall be provided by the CF Intermediate Note Issuer by making a drawing under the CF Liquidity Agreement. See for further details "*Description of the Intermediate Note Cash Administration and Agency Agreements*".

**CC CASH
ADMINISTRATION AND
AGENCY AGREEMENT**

Pursuant to a cash administration and agency agreement to be entered into on or prior to the Intermediate Note Issue Date between the CC Intermediate Note Issuer, the CC Operating Bank, the Intermediate Note Computation Agent, the Intermediate Note Principal Paying Agent, the Intermediate Note Agent Bank, the Intermediate Note Cash Manager, the Investor Note Agent Bank, the Intermediate Note English Transaction Bank, the Intermediate Note Transaction Bank, the Intermediate Note Italian Paying Agent, the Representative of the Noteholders, the CC Servicers and the CC Liquidity Providers (the "**CC Cash Administration and Agency Agreement**") and together with the CF Cash Administration and Agency Agreement, the "**Intermediate Note Cash Administration and Agency Agreements**"): (i) the Intermediate Note Principal Paying Agent and the Intermediate Note Italian Paying Agent will perform certain services in relation to the CC Intermediate Notes, including arranging for the payment of principal and interest to the holders of the CC Intermediate Notes; (ii) the Intermediate Note Agent Bank will calculate the amount of interest payable on the CC Intermediate Notes; (iii) the Intermediate Note Computation Agent will provide the CC Intermediate Note Issuer and the Investor Note Agent Bank with other calculations in respect of the CC Intermediate Notes and to set out, in a payment report (the "**CC Payment Report**"), the payments due to be made, *inter alia*, under the CC Intermediate Notes on each Payment Date (as defined in the CC Cash Administration and Agency Agreement); and (iv) the Intermediate Note Operating Banks, the Intermediate Note Transaction Bank, the Intermediate Note English Transaction Bank and the Intermediate Note Cash Manager will provide certain cash administration and investment services, in respect of the amounts standing from time to time, to the credit of the relevant Accounts (as defined in the CC Cash Administration and Agency Agreement). The Investor Note Agent Bank will reconcile the information in the CC Payment Report with the calculations required to be made pursuant to the Investor Note Transaction Documents and any shortfall shall be provided by the CC Intermediate Note Issuer by making a drawing under the CC Liquidity Agreement. See for further details "*Description of the Intermediate Note Cash Administration and Agency Agreements*".

CF LIQUIDITY AGREEMENT

Pursuant to a liquidity agreement to be entered into on or about the Intermediate Note Issue Date between the CF Intermediate Note Issuer and each CF Originator as a CF Liquidity Provider (the "**CF Liquidity Agreement**"), the CF Liquidity Providers shall make available to the CF Intermediate Note Issuer revolving liquidity facilities in the aggregate maximum amount of Euro 24,600,000.

In addition, upon notice being given to the CF Intermediate Note Issuer and the Intermediate Note Computation Agent from the Investor Note Agent Bank that there is an Irish Company Liquidity Shortfall (as defined in the CF Cash Administration and Agency Agreement), the CF Liquidity Agreement will provide liquidity support to meet 50% of such Irish Company Liquidity Shortfall until the CC Intermediate Notes are redeemed in full and 100% of such Irish Company Liquidity Shortfall thereafter.

See for further details "*Description of the Other Transaction Documents*".

CC LIQUIDITY AGREEMENT

Pursuant to a liquidity agreement to be entered into on or about the Intermediate Note Issue Date between the CC Intermediate Note Issuer and each CC Originator as a CC Liquidity Provider (the "**CC Liquidity Agreement**" and, together with the CF Liquidity Agreement, the "**Intermediate Note Liquidity Agreements**"), the CC Liquidity Providers shall make available to the CC Intermediate Note Issuer revolving liquidity facilities in the aggregate maximum amount of Euro 18,846,000.

In addition, upon notice being given to the CC Intermediate Note Issuer and the Intermediate Note Computation Agent from the Investor Note Agent Bank that there is an Irish Company Liquidity Shortfall (as defined in the CC Cash Administration and Agency Agreement), the CC Liquidity Agreement will provide liquidity support to meet 50% of such Irish Company Liquidity Shortfall until the CF Intermediate Notes are redeemed in full and 100% of such Irish Company Liquidity Shortfall thereafter.

See for further details "*Description of the Other Transaction Documents*".

CF LIMITED RECOURSE LOAN AGREEMENT

Pursuant to a limited recourse loan agreement to be entered into on or about the Intermediate Note Issue Date between the CF Intermediate Note Issuer, the CF Limited Recourse Loan Providers and the Intermediate Note Transaction Bank (the "**CF Limited Recourse Loan Agreement**"), each CF Limited Recourse Loan Provider will grant the CF Intermediate Note Issuer a CF Limited Recourse Loan up to a specified amount by means of advancing Italian treasury bonds (*Titoli di Stato*) (the "**Securities**") to the CF Intermediate Note Issuer. The Securities will be credited to the relevant Securities Account (as defined in the Intermediate Note Conditions) to be held with the Intermediate Note Transaction Bank, by each CF Limited Recourse Loan Provider. See for further details "*Description of the Other Transaction Documents*".

**CC LIMITED RECOURSE
LOAN AGREEMENT**

Pursuant to a limited recourse loan agreement to be entered into on or about the Intermediate Note Issue Date between the CC Intermediate Note Issuer, the CC Limited Recourse Loan Providers and the Intermediate Note Transaction Bank (the "**CC Limited Recourse Loan Agreement**" and, together with the CF Limited Recourse Loan Agreement, the "**Intermediate Note Limited Recourse Loan Agreements**"), each CC Limited Recourse Loan Provider will grant the CC Intermediate Note Issuer a CC Limited Recourse Loan up to a specified amount by means of advancing Italian treasury bonds (*Titoli di Stato*) to the CC Intermediate Note Issuer. The Securities will be credited to the relevant Securities Account (as defined in the Intermediate Note Conditions) to be held with the Intermediate Note Transaction Bank, by each CC Limited Recourse Loan Provider. See for further details "*Description of the Other Transaction Documents*".

**CF INTERCREDITOR
AGREEMENT**

Pursuant to an intercreditor agreement to be entered into on or prior to the Intermediate Note Issue Date (the "**CF Intercreditor Agreement**") between the CF Back-up Servicer, the CF Intermediate Note Issuer, the CF Limited Recourse Loan Providers, the CF Liquidity Providers, the CF Operating Bank, the CF Originators, the CF Servicers, the CF Swap Counterparty, the Intermediate Note Agent Bank, the Intermediate Note Cash Manager, the Intermediate Note Computation Agent, the Intermediate Note Corporate Services Provider, the Intermediate Note English Transaction Bank, the Intermediate Note Italian Paying Agent, the Intermediate Note Principal Paying Agent, the Intermediate Note Security Trustee, the Intermediate Note Stichting Corporate Services Provider, the Intermediate Note Transaction Bank, the Representative of the Noteholders and the Senior Noteholder (the "**CF Parties**"), the application of the Single Portfolio Available Funds and the Issuer Available Funds (each as defined in the CF Intercreditor Agreement) will be set out. Subject to a Trigger Notice being served upon the CF Intermediate Note Issuer following the occurrence of a Trigger Event, all the CF Intermediate Note Issuer Available Funds will be applied in or towards satisfaction of the CF Intermediate Note Issuer's payment obligations towards the CF Intermediate Noteholders as well as the Other CF Intermediate Note Issuer Creditors, in accordance with the Acceleration Order of Priority (as defined in the CF Intercreditor Agreement) provided in the CF Intercreditor Agreement. See for further details "*Description of the Security Agreements*".

CC INTERCREDITOR AGREEMENT

Pursuant to an intercreditor agreement to be entered into on or prior to the Intermediate Note Issue Date (the "**CC Intercreditor Agreement**") and, together with the CF Intercreditor Agreement, the "**Intermediate Note Intercreditor Agreements**") between the CC Back-up Servicer, the CC Intermediate Note Issuer, the CC Limited Recourse Loan Providers, the CC Liquidity Providers, the CC Operating Bank, the CC Originators, the CC Servicers, the CC Swap Counterparty, the Intermediate Note Agent Bank, the Intermediate Note Cash Manager, the Intermediate Note Computation Agent, the Intermediate Note Corporate Services Provider, the Intermediate Note English Transaction Bank, the Intermediate Note Italian Paying Agent, the Intermediate Note Principal Paying Agent, the Intermediate Note Security Trustee, the Intermediate Note Stichting Corporate Services Provider, the Intermediate Note Transaction Bank, the Representative of the Noteholders and the Senior Noteholder (the "**CC Parties**"), the application of the Single Portfolio Available Funds and the Issuer Available Funds will be set out. Subject to a Trigger Notice being served upon the CC Intermediate Note Issuer following the occurrence of a Trigger Event (as defined in the CC Intercreditor Agreement), all the Issuer Available Funds will be applied in or towards satisfaction of the CC Intermediate Note Issuer's payment obligations towards the CC Intermediate Noteholders as well as the Other CC Intermediate Note Issuer Creditors, in accordance with the Acceleration Order of Priority (as defined in the CC Intercreditor Agreement) provided in the CC Intercreditor Agreement. See for further details "*Description of the Security Agreements*".

CF DEED OF PLEDGE

Pursuant to a deed of pledge to be entered into on or prior to the Intermediate Note Issue Date between the CF Back-Up Servicer, the CF Intermediate Note Issuer, the CF Limited Recourse Loan Providers, the CF Liquidity Providers, the CF Operating Bank, the CF Originators, the CF Servicers, the CF Swap Counterparty, the Intermediate Note English Transaction Bank, the Intermediate Note Agent Bank, the Intermediate Note Cash Manager, the Intermediate Note Computation Agent, the Intermediate Note Corporate Services Provider, the Intermediate Note Italian Paying Agent, the Intermediate Note Principal Paying Agent, the Intermediate Note Security Trustee, the Intermediate Note Stichting Corporate Servicer Provider, the Intermediate Note Transaction Bank, the Investor Note Issuer and the Representative of the Noteholders (the "**CF Deed of Pledge**"), the CF Intermediate Note Issuer will grant: (i) a pledge over all monetary contractual claims arising from the Intermediate Note Transaction Documents (excluding the claims and the rights arising from the Intermediate Note Transfer Agreements, the CF Servicing Agreement, the CF Back-up Servicing Agreement and the claims for the restitution of the positive balance standing from time to time to the credit of the accounts opened pursuant to the Intermediate Note Cash Administration and Agency Agreement; (ii) upon occurrence of a Trigger Event, a pledge over the positive balance of the Accounts (as defined in the CF Deed of Pledge) (other than the Intermediate Note Expenses Accounts, the Intermediate Note Quota Capital Account, the Intermediate Note Investment Account (each as defined in the CF Deed of Pledge) and the amounts payable to the CF Swap Counterparty in relation to a Tax Credit (as defined in the CF Deed of Pledge) and the amounts standing to the credit of the Collateral Account (as defined in the CF Deed of Pledge) to the extent provided for by the CF Deed of Pledge) and (iii) a pledge over the Securities (as defined in the CF Deed of Pledge). See for further details "*Description of the Security Agreements*".

CC DEED OF PLEDGE

Pursuant to a deed of pledge to be entered into on or prior to the Intermediate Note Issue Date between the CC Back-Up Servicer, the CC Intermediate Note Issuer, the CC Limited Recourse Loan Providers, the CC Liquidity Providers, the CC Operating Bank, the CC Originators, the CC Servicers, the CC Swap Counterparty, the Intermediate Note English Transaction Bank, the Intermediate Note Agent Bank, the Intermediate Note Cash Manager, the Intermediate Note Computation Agent, the Intermediate Note Corporate Services Provider, the Intermediate Note Italian Paying Agent, the Intermediate Note Principal Paying Agent, the Intermediate Note Security Trustee, the Intermediate Note Stichting Corporate Servicer Provider, the Intermediate Note Transaction Bank, the Investor Note Issuer and the Representative of the Noteholders (the "**CC Deed of Pledge**" and, together with the CF Deed of Pledge, the "**Intermediate Note Deeds of Pledge**"), the CC Intermediate Note Issuer will grant: (i) a pledge over all monetary contractual claims arising from the Intermediate Note Transaction Documents (excluding the claims and the rights arising from the Intermediate Note Transfer Agreements, the CC Servicing Agreement, the CC Back-up Servicing Agreement and the claims for the restitution of the positive balance standing from time to time to the credit of the accounts opened pursuant to the Intermediate Note Cash Administration and Agency Agreement; (ii) upon occurrence of a Trigger Event, a pledge over the positive balance of the Accounts (as defined in the CC Deed of Pledge) (other than the Intermediate Note Expenses Accounts, the Intermediate Note Quota Capital Account, the Intermediate Note Investment Account (each as defined in the CC Deed of Pledge) and the amounts payable to the CC Swap Counterparty in relation to a Tax Credit (as defined in the CC Deed of Pledge) and the amounts standing to the credit of the Collateral Account (as defined in the CC Deed of Pledge) to the extent provided for by the CC Deed of Pledge) and (iii) a pledge over the Securities (as defined in the CC Deed of Pledge). See for further details "*Description of the Security Agreements*".

CF DEED OF CHARGE

Pursuant to a deed of charge to be entered into on or prior to the Intermediate Note Issue Date between the CF Intermediate Note Issuer, the Investor Note Issuer, the Intermediate Note Security Trustee, the CF Servicers, the CF Originators, the CF Liquidity Providers, the CF Limited Recourse Loan Providers, the CF Operating Bank, the Intermediate Note Corporate Services Provider, the CF Back-up Servicer, the Representative of the Noteholders, the Intermediate Note Transaction Bank, the Intermediate Note Italian Paying Agent, the Intermediate Note Principal Paying Agent, the Intermediate Note Agent Bank, the Intermediate Note Computation Agent, the Intermediate Note English Transaction Bank, the Intermediate Note Cash Manager and the CF Swap Counterparty (the "**CF Deed of Charge**"), the CF Intermediate Note Issuer will assign and charge in favour of the Representative of the Noteholders for itself and on trust for the holders of the CF Intermediate Notes, the CF Class C Intermediate Notes and the Other CF Intermediate Note Issuer Creditors, all of the CF Intermediate Note Issuer's rights, title, interest and benefit (present and future) in, to and under the CF Swap Agreement and all the amounts from time to time standing to the credit of the Intermediate Note Investment Account (as defined in the CF Deed of Charge). See for further details "*Description of the Security Agreements*".

CC DEED OF CHARGE

Pursuant to a deed of charge to be entered into on or prior to the Intermediate Note Issue Date between the CC Intermediate Note Issuer, the Investor Note Issuer, the Intermediate Note Security Trustee, the CC Servicers, the CC Originators, the CC Liquidity Providers, the CC Limited Recourse Loan Providers, the CC Operating Bank, the Intermediate Note Corporate Services Provider, the CC Back-up Servicer, the Representative of the Noteholders, the Intermediate Note Transaction Bank, the Intermediate Note Italian Paying Agent, the Intermediate Note Principal Paying Agent, the Intermediate Note Agent Bank, the Intermediate Note Computation Agent, the Intermediate Note English Transaction Bank, the Intermediate Note Cash Manager and the CC Swap Counterparty (the "**CC Deed of Charge**" and, together with the CF Deed of Charge, the "**Intermediate Note Deeds of Charge**"), the CC Intermediate Note Issuer will assign and charge in favour of the Representative of the Noteholders for itself and on trust for the holders of the CC Intermediate Notes, the CF Class C Intermediate Notes and the Other CC Intermediate Note Issuer Creditors, all of the CC Intermediate Note Issuer's rights, title, interest and benefit (present and future) in, to and under the CC Swap Agreement and all the amounts from time to time standing to the credit of the Intermediate Note Investment Account (as defined in the CC Deed of Charge). See for further details "*Description of the Corporate Documents*".

CF CORPORATE SERVICES AGREEMENT

Pursuant to a corporate services agreement to be entered into on or prior to the Intermediate Note Issue Date between the CF Intermediate Note Issuer and the Intermediate Note Corporate Services Provider (the "**CF Corporate Services Agreement**"), the Intermediate Note Corporate Services Provider will provide the CF Intermediate Note Issuer with certain corporate administration and management services. See for further details "*Description of the Other Transaction Documents*".

CC CORPORATE SERVICES AGREEMENT

Pursuant to a corporate services agreement to be entered into on or prior to the Intermediate Note Issue Date between the CC Intermediate Note Issuer and the Intermediate Note Corporate Services Provider (the "**CC Corporate Services Agreement**" and, together with the CF Corporate Services Agreement, the "**Intermediate Note Corporate Services Agreement**"), the Intermediate Note Corporate Services Provider will provide the CC Intermediate Note Issuer with certain corporate administration and management services. See for further details "*Description of the Corporate Documents*".

CF STICHTING CORPORATE SERVICES AGREEMENT

Pursuant to a Stichting corporate services agreement entered into on or prior to the Intermediate Note Issue Date between the CF Intermediate Note Issuer, the Intermediate Note Stichting Corporate Services Provider and the CF Quotaholders (the "**CF Stichting Corporate Services Agreement**") the Intermediate Note Stichting Corporate Services Provider has agreed to provide certain management, administrative and secretarial services to the CF Quotaholders.

CC STICHTING CORPORATE SERVICES AGREEMENT

Pursuant to a Stichting corporate services agreement entered into on or prior to the Intermediate Note Issue Date between the CC Intermediate Note Issuer, the Intermediate Note Stichting Corporate Services Provider and the CC Quotaholders (the "**CC Stichting Corporate Services Agreement**" and together with the CF Stichting Corporate Services Agreement, the "**Intermediate Note Stichting Corporate Services Agreement**") the Intermediate Note Stichting Corporate Services Provider has agreed to provide certain management, administrative and secretarial services to the CC Quotaholders.

CF CLASS C SUBSCRIPTION AGREEMENT

Pursuant to a subscription agreement to be entered into on or prior to the Intermediate Note Issue Date between the CF Intermediate Note Issuer and the CF Originators (the "**CF Class C Subscription Agreement**"), the CF Originators shall subscribe and pay for the CF Class C Intermediate Notes. See for further details "*Description of the Corporate Documents*".

**CC CLASS C
SUBSCRIPTION
AGREEMENT**

Pursuant to a subscription agreement to be entered into on or prior to the Intermediate Note Issue Date between the CC Intermediate Note Issuer and the CC Originators (the "**CC Class C Subscription Agreement**" and, together with the CF Class C Subscription Agreement, the "**Intermediate Note Class C Subscription Agreements**"), the CC Originators shall subscribe and pay for the CC Class C Intermediate Notes. See for further details "*Description of the Corporate Documents*".

**CF QUOTAHOLDERS'
AGREEMENT**

Pursuant to the terms of a quotaholders' agreement to be entered into on or prior to the Intermediate Note Issue Date between the CF Quotaholders, the CF Intermediate Note Issuer and the Representative of the Noteholders (the "**CF Quotaholders' Agreement**"), certain rules shall be set out in relation to the corporate governance of the CF Intermediate Note Issuer. See for further details "*Description of the Corporate Documents*".

**CC QUOTAHOLDERS'
AGREEMENT**

Pursuant to the terms of a quotaholders' agreement to be entered into on or prior to the Intermediate Note Issue Date between the CC Quotaholders, the CC Intermediate Note Issuer and the Representative of the Noteholders (the "**CC Quotaholders' Agreement**" and, together with the CF Quotaholders' Agreement, the "**Intermediate Note Quotaholders' Agreements**"), certain rules shall be set out in relation to the corporate governance of the CC Intermediate Note Issuer. See for further details "*Description of the Other Transaction Documents*".

CF SWAP AGREEMENT

In order to hedge the interest rate exposure of the CF Intermediate Note Issuer in relation to its floating rate obligations under the CF Intermediate Notes, the CF Intermediate Note Issuer will enter into 2 swap transactions (each a "**CF Swap Transaction**" and together the "**CF Swap Transactions**") with a CF Swap Counterparty in each case on or prior to the Intermediate Note Issue Date. Such CF Swap Transactions will be governed by an International Swaps and Derivatives Association, Inc. ("**ISDA**") Master Agreement (Multicurrency-Cross Border), together with a Schedule (together the "**Master Agreement**") and each CF Swap Transaction will be documented pursuant to a swap confirmation (each a "**CF Swap Confirmation**" and together with the Master Agreement, the "**CF Swap Agreement**"). See for further details "*Description of the Other Transaction Documents*".

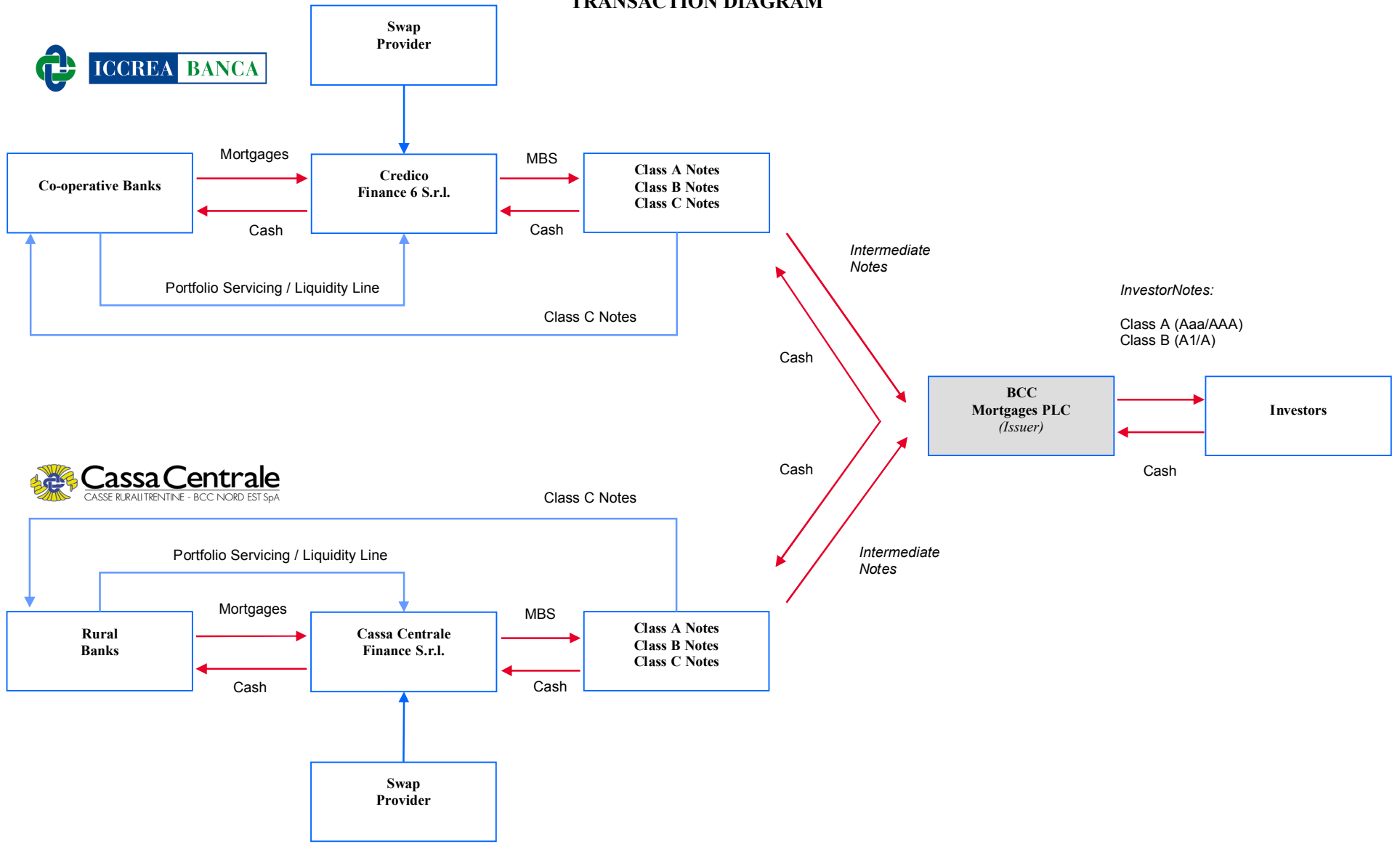
CC SWAP AGREEMENT

In order to hedge the interest rate exposure of the CC Intermediate Note Issuer in relation to its floating rate obligations under the CC Intermediate Notes, the CC Intermediate Note Issuer will enter into 2 swap transactions (each a "**CC Swap Transaction**" and together the "**CC Swap Transactions**") with a CC Swap Counterparty in each case on or prior to the Intermediate Note Issue Date. Such CC Swap Transactions will be governed by an International Swaps and Derivatives Association, Inc. ("**ISDA**") Master Agreement (Multicurrency-Cross Border), together with a Schedule (together the "**Master Agreement**") and each CC Swap Transaction will be documented pursuant to a swap confirmation (each a "**CC Swap Confirmation**" and together with the Master Agreement, the "**CC Swap Agreement**"). See for further details "*Description of the Other Transaction Documents*".

GOVERNING LAW

The Investor Note Transaction Documents are or will be governed by English law and the Intermediate Note Transaction Documents are or will be governed by Italian law with the exception of: (i) Clause 6(A)(i) of the Investor Note Trust Deed which shall be governed by Italian law; (ii) the Intermediate Note Deeds of Charge and the Intermediate Note Swap Agreements which shall be governed by English law; (iii) the Intermediate Note Cash Administration and Agency Agreements which are governed partially by Italian law and partially by English law, and (iv) the Intermediate Note Stichting Corporate Services Agreements which will be governed by Dutch law.

TRANSACTION DIAGRAM



DESCRIPTION OF THE PORTFOLIOS

The Portfolios comprise debt obligations arising out of residential and commercial mortgage loans classified as performing by the relevant Originator. The possibility to change the Portfolios' composition is not provided. Capitalised terms used in the description below shall, except as otherwise defined in this Offering Circular, have the meanings ascribed to them in the Intermediate Note Transfer Agreements.

1. SELECTION CRITERIA OF THE CLAIMS:

The Claims included in the Portfolios have been selected on the basis of the following general criteria (the "**General Criteria**") as at the relevant Valuation Date, as well as on the basis of further specific objective criteria (the "**Specific Criteria**") in respect of each Originator, in order to ensure that the Claims have the same legal and financial characteristics.

1.1 The General Criteria are as follows:

- a) The Mortgage Loans are in denominations of Euro;
- b) The Mortgage Loans have been classified by each Originator as performing loans (in bonis) pursuant to the regulation issued by the Bank of Italy (Istruzioni di Vigilanza);
- c) Each Mortgage Loan is secured by an economically first ranking priority mortgage (ipoteca di primo grado economico) in favour of the relevant Originator, i.e. (i) a first ranking priority mortgage (ipoteca di primo grado) or (ii) a subsequent ranking priority mortgage (ipoteca di grado successivo al primo) where the obligations secured by the mortgage/mortgages ranking prior to such mortgage/mortgages as at the Valuation Date have been fully satisfied; or (B) a mortgage ranking subsequent to the mortgage under letter (A) above and granted to the same debtor whose claim is secured by the mortgage under letter (A) above, insofar each mortgage ranking higher (if in addition to the mortgage under letter (A)) relates to a claim.
- d) Installments under the Mortgage Loans are paid by direct permanent debit on an account held by the relevant Originator;
- e) The pre-amortisation period, if any, in relation to each Mortgage Loan has expired;
- f) No Mortgage Loan has the benefit of any financial concessions or has been granted on any favourable terms pursuant to any laws or agreement (so called "mutui agevolati e mutui convenzionati");
- g) No Mortgage Loan has been granted to any employee of the relevant Originator;
- h) No Mortgage Loan qualifies as "agricultural credit" (credito agrario) pursuant to article 43 of the Consolidated Banking Act, including the case in which the agricultural credit is made by means of an agricultural bill (cambiale agraria);
- i) Arising from Mortgage Loans (1) that, in relation to any and all due instalments, eventually except for the last instalment, do not have any instalment due and unpaid as at the Valuation Date and (2) in relation to which the eventual last instalment due before the Valuation Date has been paid within the following 15 days after the due date;
- j) Mortgage Loans in relation to which there is no obligation on the part of the relevant Originator, neither it is possible, to advance or disburse any further amount;

- k) No Mortgage Loan, even though in bonis, ever qualifies as non-performing loan (credito in sofferenza) pursuant to the Istruzioni di Vigilanza issued by the Bank of Italy;
- l) Each Mortgage Loan provides repayment instalments and on each relevant execution date it was provided that the last instalment is not higher than any previous instalment.
- m) Mortgage Loans with at least one paid instalment.
- n) In relation to the CF Portfolios only, each Mortgage Loan is due to be repaid in full on or before 31 December 2030.

1.2. Additional Specific Criteria applicable to individual Originators are as follows:

BCC Alta Brianza Alzate Brianza represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) Mortgage Loans whose principal outstanding is included between Euro 50,000 and Euro 250,000
- b) Mortgage Loans with a spread higher than or equal to 1.4%
- c) No mortgage loan has been granted to shareholders of the Originator or whose co-beneficiaries are shareholders of the Originator

BCC Alto Reno represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) Mortgage Loans whose principal amount granted as at the date on which the Mortgage Loan was entered into is included between Euro 10,000 and Euro 320,000
- b) Mortgage Loans with a spread higher than or equal to 0.70%
- c) Mortgage Loans granted to shareholders of the Originator before 1 January 2000
- d) No mortgage loan with a fixed interest rate only
- e) No mortgage loan whose interest rate was initially parameterized to prime rate ABI

BCC Asciano represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) Mortgage Loans with a principal outstanding lower than Euro 350,000

BCC Bassa Friulana represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) Mortgage Loans whose principal amount granted is included between Euro 30,000 and Euro 200,000
- b) Mortgage Loans with a floating interest rate including Mortgage Loans having for the first 12 months a fixed interest rate

- c) No mortgage loans granted to shareholders of the Originator
- d) No mortgage loans with a fixed instalment and floating amount

BCC Bolognese represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) Mortgage Loans whose principal granted is equal to Euro 150,000
- b) No mortgage loans granted to shareholders of the Originator
- c) Each Mortgage Loan has a floating rate of interest parameterized to 3 months Euribor.
- d) Mortgage Loans with a spread higher than or equal to 0.5%
- e) Mortgage Loans due to be repaid in full after 31 December 2006

BCC Brendola represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) No mortgage loans granted to shareholders of the Originator
- b) Each Mortgage Loan has a rate of interest parameterized to 6 months Euribor.
- c) No mortgage loans with a fixed interest rate
- d) Mortgage Loans with monthly instalment
- e) Mortgage Loans whose principal outstanding are higher than or equal to Euro 40,000 and lower or equal to Euro 300,000
- f) Mortgage Loans with a spread higher than or equal to 120 basis points or lower or equal to 135 basis points
- g) Mortgage Loans granted only to Italian residents

BCC Campiglia dei Berici represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) Mortgage Loans whose principal outstanding is lower than Euro 350,000

BCC Cantù represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) Mortgage Loans which qualify as "*Fondinari*" in accordance with Italian provisions of law
- b) Mortgage Loans granted after 1 January 2004
- c) Mortgage Loans due to be repaid in full after 31 December 2010
- d) Mortgage Loans whose principal outstanding is higher than Euro 100,000 and lower than Euro 490,000

- e) Mortgage Loans with floating interest rate
- f) Mortgage Loans with a spread higher than 1.5% and lower than 2%
- g) Mortgage Loans granted to shareholders of the Originator
- h) No mortgage loans in which one of the debtors is a shareholder of the Originator
- i) No mortgage loans guaranteed by shareholders of the Originator

BCC Cartura represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) Mortgage Loans whose principal outstanding is higher than Euro 50,000 and lower than Euro 350,000
- b) Mortgage Loans with a spread higher than 1% and lower than 2 %

BCC San Giorgio represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) Mortgage Loans granted before 2 February 2006
- b) Mortgage Loans whose principal amount granted is lower or equal to Euro 620,000
- c) No mortgage loans with a fixed instalment and a floating duration
- d) No mortgage loans with an option for the debtor to change the fixed interest rate into a floating interest rate parameterized to Euribor plus a certain spread
- e) No syndicated mortgage loans

BCC Fiumicello ed Aiello del Friuli represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) No mortgage loans granted to shareholders of the Originator
- b) No Mortgage Loan has been granted to shareholders of the Originator excluding those Mortgage Loans in which there is more than one debtor and one of them is a shareholder of the Originator
- c) No Mortgage Loan guaranteed by shareholders of the Originator;
- d) Mortgage Loans whose principal outstanding is higher than Euro 30,000 and lower than Euro 300,000
- e) Mortgage Loans with no due and unpaid instalments
- f) Mortgage Loans in respect of which at least one instalment has been paid
- g) Mortgage Loans with a floating interest rate

- h) Mortgage Loans secured by an economically first ranking priority mortgage on real estate other than land
- i) No mortgage loans granted for shareable real estate assets

BCC Gaudio di Lavello represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) Mortgage Loans whose principal outstanding is higher than Euro 10,000 and lower than Euro 80,000
- b) No mortgage loans with a fixed interest rate
- c) Mortgage Loans with a spread higher than 1%

BCC Macerone represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) Mortgage Loans whose principal amount granted is equal to Euro 450,000
- b) Mortgage Loans due to be repaid in full before 28 February 2031

BCC Marca represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) No mortgage loans granted to shareholders of the Originator
- b) Mortgage Loans whose principal amount granted is equal to Euro 550,000
- c) Mortgage Loans with a spread higher than 75 basis points
- d) Mortgage Loans with an initial fixed interest rate, turned into a floating rate within the CF Valuation Date, with no further possibility to change the floating rate into fixed;
- e) Mortgage Loans with a rate of interest parameterized to 3 or 6 months Euribor with a quarterly and semi-annually adjustment equal to respectively the average of the preceding quarter or semester

BCC Metauro represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) No mortgage loans granted to shareholders of the Originator
- b) Mortgage Loans with a fixed or modular interest rate
- c) Mortgage Loans whose principal outstanding is lower than Euro 250,000
- d) Mortgage Loans with a spread higher than or equal to 1.30%
- e) Mortgage Loans with a floor included between 3% and 4%

BCC Monastier e del Sile represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) No mortgage loans with a fixed/floating interest rate
- b) Mortgage Loans with a rate of interest parameterized to 3 or 6 months Euribor
- c) Mortgage Loans granted on or before 28 February 2006
- d) Mortgage Loans whose principal outstanding is lower than Euro 700,000
- e) Mortgage Loans whose principal amount granted is lower than Euro 800,000
- f) Mortgage Loans due to be repaid in full before 31 August 2006.

BCC Monteriggioni represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) No mortgage loans granted to shareholders of the Originator
- b) No mortgage loans with a fixed interest rate
- c) No mortgage loans with a rate of interest parameterized exclusively to 6 month Euribor
- d) No mortgage loans with a fixed interest rate

BCC Ostra e Morro d'Alba represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) No mortgage loans granted to shareholders of the Originator
- b) Mortgage Loans with a spread higher than or equal to 1%
- c) Mortgage Loans with a floating interest rate except for the Mortgage Loan whose principal outstanding is equal to Euro 179,222.69
- d) Mortgage Loans whose principal outstanding is lower than or equal to Euro 250,000

BCC Pergola represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) No mortgage loans providing for interim payments further to "*stato avanzamento lavori*"
- b) Mortgage Loans with a rate of interest parameterized to 6 months Euribor
- c) No Mortgage Loans with a variable maturity;
- d) Mortgage Loans whose principal outstanding is higher than or equal to 30,000 and lower than or equal to Euro 250,000
- e) Mortgage Loans with a spread higher than or equal to 75 basis points

- f) Mortgage Loans granted before 30 April 2004, except for Mortgage Loans due to be repaid in full on 2030 and granted before 31 March 2005
- g) Mortgage Loans in respect of which at least one instalment has been paid

BCC Pordenonese represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) Mortgage Loans due to be repaid in full after 31 July 2006
- b) Mortgage Loans with a rate of interest parameterized to Euribor
- c) Mortgage Loans whose principal outstanding is higher than or equal to 50,000 and lower than or equal to Euro 1,000,000
- d) No mortgage loans granted to directors or auditors of the Originator

BCC Pratola Peligna represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) Mortgage Loans whose principal amount granted is higher than or equal to 50,000 and lower than or equal to Euro 250,000
- b) No mortgage loans granted to shareholders of the Originator or when granted to more than one debtor none of them is a shareholder of the Originator
- c) No mortgage loans with a fixed interest rate
- d) Mortgage Loans with a spread higher than 1.50% and lower than 2%

BCC Sesto San Giovanni represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) Mortgage Loans whose principal outstanding is higher than or equal to 46,879.86 and lower than or equal to Euro 400,000
- b) Mortgage Loans with a spread higher than 1% and lower than 2.05%
- c) Mortgage Loans with a floating interest rate
- d) No mortgage loans granted to shareholders of the Originator
- e) No mortgage loans in which any of the debtors is a shareholder of the Originator
- f) No mortgage loans guaranteed by shareholders of the Originator

BCC Signa represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) Mortgage Loans due to be repaid in full on or before 31 December 2030 and after 31 December 2006

- b) Mortgage Loans whose principal amount granted is higher than or equal to 60,000 and lower than or equal to Euro 675,000
- c) No mortgage loans with a structured interest rate (fixed/floating)
- d) No mortgage loans with a modular interest rate in relation to which at 31 December 2005 had due instalments with a fixed interest rate equal to 2.85% and 3.50%
- e) No mortgage loans with a floating duration
- f) Mortgage Loans granted after 31 December 1997
- g) Mortgage Loans with a floating interest rate and a spread higher than 1.25% and parameterized to 3 and 6 months Euribor
- h) Mortgage Loans with a fixed interest rate higher than 5.90%

BCC Suasa represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) Each Mortgage Loan has a rate of interest parameterized to Euribor.
- b) Mortgage Loans with a spread higher than or equal to 0.90% and lower than or equal to 3.30%
- c) Mortgage Loans whose principal outstanding is higher than or equal to 40,000 and lower than or equal to Euro 281,000, excluding those mortgage loans with a principal outstanding between Euro 104,000 and Euro 106,000 and between Euro 115,000 and Euro 116,000
- d) Mortgage Loans with monthly instalments excluding those mortgage loans not having a fixed instalment
- e) Mortgage Loans secured by an economically first ranking priority mortgage on factory buildings other than land and factory buildings under construction

BCC Trevigiano represented and warranted that the Claims it has transferred to the CF Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CF Valuation Date:

- a) Mortgage Loans granted on or before 31 October 2005
- b) Mortgage Loans due to be repaid in full on or before 31 December 2030
- c) Each Mortgage Loan has a floating rate of interest parameterized to 6 months Euribor
- c) Mortgage Loans in relation to which payments are made exclusively by direct permanent debit on an account held by the relevant Originator
- d) Mortgage Loans with a spread higher than 1%
- e) Mortgage Loans with no cap but with a floor in favour of the Originator
- f) Mortgage Loans granted to either shareholders and non shareholders of the Originator

BCC Alto Garda represented and warranted that the Claims it has transferred to the CC Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CC Valuation Date:

- a) Each Mortgage Loan has a rate of interest parameterized to 1,3,6 months Euribor.
- b) No mortgage Loan has been granted to shareholders of the Originator whose principal outstanding is not included between Euro 27,310 and Euro 383,229
- c) Mortgage Loans granted to shareholders of the Originator with a principal outstanding included between Euro 21,700 and Euro 325,000;
- d) Arising from Mortgage Loans providing to be repaid in full on or before 31 December 2030.

BCC Alto Vicentino represented and warranted that the Claims it has transferred to the CC Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CC Valuation Date:

- a) Each Mortgage Loan has a rate of interest parameterized to 3 months Euribor.
- b) Mortgage Loans with a monthly instalment
- c) No mortgage loan has been granted to shareholders of the Originator
- d) Mortgage Loans whose principal amount granted is included between Euro 95,000 and Euro 345,000
- e) Mortgage Loans due to be repaid in full before 31 December 2030
- f) Mortgage loans with a spread higher than or equal to 115 basis points and lower than or equal to 150 basis points

BCC Cavola e Sassuolo represented and warranted that the Claims it has transferred to the CC Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CC Valuation Date:

- a) Each Mortgage Loan has a rate of interest parameterized to Euribor.
- b) No mortgage loan has been granted to shareholders of the Originator
- c) Mortgage Loans whose principal outstanding is included between Euro 70,555 and Euro 251,153
- d) Mortgage Loans with a spread higher than or equal to 90 basis points and lower than or equal to 170 basis points; and
- e) Arising from Mortgage Loans providing to be repaid in full on or before 31 December 2030.

BCC Folgaria represented and warranted that the Claims it has transferred to the CC Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CC Valuation Date:

- a) Mortgage Loans whose principal outstanding is included between Euro 45,000 and Euro 481,000
- b) Mortgage Loans due to be repaid in full before 31 December 2030

BCC Valsabbia represented and warranted that the Claims it has transferred to the CC Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CC Valuation Date:

- a) Each Mortgage Loan has a rate of interest parameterized to 3 and 6 months Euribor.
- b) Mortgage Loans whose principal outstanding is included between Euro 95,000 and Euro 305,000
- c) Mortgage Loans with a spread higher than or equal to 50 basis points
- d) Mortgage Loans due to be repaid in full on or before 31 December 2030

BCC Lavis represented and warranted that the Claims it has transferred to the CC Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CC Valuation Date:

- a) Each Mortgage Loan has a rate of interest parameterized to 6 months Euribor.
- b) No mortgage loan has been granted to shareholders of the Originator
- c) Mortgage Loans whose principal outstanding is included between Euro 77,000 and Euro 390,000;
- d) Mortgage Loans with a spread higher than or equal to 90 basis points and lower than or equal to 250 basis points; and
- e) Mortgage Loans due to be repaid in full on or before 31 December 2030.

BCC Marcon represented and warranted that the Claims it has transferred to the CC Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CC Valuation Date:

- (a) Mortgage Loans tied to the reference rate fixed at the beginning of each quarter (1 January– 1 April – 1 July– 1 October),- equal to the simple arithmetic mean of the monthly mean value of 3 months euribor (Euro Interbank Offered Rate) calculated on the basis of the calculation criterion effective days/360, usually published in the "Il Sole 24 ore" or in other similar papers, and referred to the first two months of the quarter preceding the revision date, rounded off to the 5 higher cents;
- (b) Mortgage Loans tied to the reference rate fixed at the beginning of each quarter (1 January– 1 April – 1 July– 1 October),- equal to the simple arithmetic mean of the monthly mean value of the 3 (three) months lira interbank offered rate, R.I.B.O.R. (Source A.T.I.C.), usually published in the "Il Sole 24 ore" or in other similar papers, and referred to the first two months of the quarter preceding the revision date, rounded off to the 5 higher cents, changed into 3 months Euribor (Euro Interbank Offered Rate) pursuant to the Treasury Ministry Decree 23 December 1998;
- (c) Mortgage Loans by only monthly installments falling due the last day of the month;
- (d) Mortgage Loans not guaranteed by surety co-operative (cooperative di garanzia), surety associations (consorzi di garanzia) or surety institutions (organismi di garanzia) (so called fixed loans -mutui convenzionati);

- (e) Mortgage Loans having residual debts \geq Eu 20.000 and \leq Eu 400.000, excluding loans whose residual amount at the Valuation Date is between a minimum and a maximum of: Euro 73.809,79 and Euro 73.810,79 (included); Euro 219.140,30 and Euro 219.141,30 (included); Euro 191.689,70 and Euro 191.690,70 (included); Euro 28.194,18 and Euro 28.195,18 (included); Euro 137.425,88 and Euro 137.426,88 (included); Euro 41.134,19 and Euro 41.135,19 (included); Euro 95.610,41 and Euro 95.611,41 (included); Euro 120.304,15 and Euro 120.305,15 (included);
- (f) Mortgage Loans with a spread \geq 0,80% and \leq 1,65%;
- (g) Mortgage Loans granted pursuant to articles 38 et seq. of Legislative Decree 01 September 1993 no. 385;
- (h) Mortgage Loans entered into until 31 January 2006;
- (i) Excluding loans that by contract provide for a minimum amortization rate always applicable \geq at 4,00%.

BCC Mezzocorona represented and warranted that the Claims it has transferred to the CC Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CC Valuation Date:

- a) Mortgage Loans whose principal outstanding is included between Euro 20,000 and Euro 510,000
- b) Mortgage Loans with floating rate; and
- c) Mortgage Loans due to be repaid in full on or before 31 December 2030.

BCC Mezzolombardo represented and warranted that the Claims it has transferred to the CC Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CC Valuation Date:

- a) Each Mortgage Loan has a rate of interest parameterized to 3 months Euribor.
- b) Mortgage Loans whose principal outstanding is included between Euro 21,000 and Euro 246,000; and
- c) Arising from Mortgage Loans due to be repaid in full on or before 31 December 2030.

BCC Pergine represented and warranted that the Claims it has transferred to the CC Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CC Valuation Date:

- a) Each Mortgage Loan has a rate of interest parameterized to 3 months Euribor.
- b) Mortgage Loans with an entrance rate convertible into a rate parameterized to 3 months Euribor after 12 months from the entry into the relevant agreement
- c) Mortgage Loans whose principal outstanding is included between Euro 40,000 and Euro 437,000
- d) Mortgage Loans due to be repaid in full on or before 31 December 2030

BCC Pinetana represented and warranted that the Claims it has transferred to the CC Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CC Valuation Date:

- a) Each Mortgage Loan has a rate of interest parameterized to 3 months Euribor.
- b) No mortgage loan has been granted to shareholders of the Originator
- c) Mortgage Loans whose principal outstanding is included between Euro 20,197 and Euro 393,000; and
- d) Arising from Mortgage Loans due to be repaid in full on or before 31 December 2030.

BCC Prealpi represented and warranted that the Claims it has transferred to the CC Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CC Valuation Date:

- a) Each Mortgage Loan has a rate of interest parameterized to 6 months Euribor.
- b) No mortgage loan has been granted to shareholders of the Originator
- c) No mortgage loan has been guaranteed by shareholders of the Originator
- d) Mortgage Loans whose principal outstanding is included between Euro 78,000 and Euro 400,000
- e) Mortgage Loans with a spread higher than or equal to 90 basis points and lower than or equal to 140 basis points
- f) Mortgage Loans due to be repaid in full on or before 31 December 2031

BCC Bolzano represented and warranted that the Claims it has transferred to the CC Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CC Valuation Date:

- a) Each Mortgage Loan has a rate of interest parameterized to 3 and 6 months Euribor.
- b) Mortgage Loans with fixed interest rate
- c) Mortgage Loans whose principal amounts granted was lower than 398,000 and higher or equal to 25,000
- d) Mortgage Loans due to be repaid in full on or before 28 February 2031

BCC Rovereto represented and warranted that the Claims it has transferred to the CC Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CC Valuation Date:

- a) Each Mortgage Loan has a rate of interest parameterized to Euribor.
- b) No mortgage loan has been granted to shareholders of the Originator excluding those Mortgage Loans in which there is more than one debtor and one of them is a shareholder of the Originator
- c) Mortgage Loans whose principal outstanding is included between Euro 61,125.65 and Euro 469,537.65;

- d) Mortgage Loans with a spread higher than or equal to 50 basis points and lower than or equal to 200 basis points
- e) Mortgage Loans due to be repaid in full on or before 9 January 2031.

BCC Tione represented and warranted that the Claims it has transferred to the CC Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CC Valuation Date:

- a) Mortgage Loans whose principal outstanding is included between Euro 12,000 and Euro 800,000; and
- b) Arising from Mortgage Loans due to be repaid in full on or before 31 December 2030.

BCC Val di Fassa represented and warranted that the Claims it has transferred to the CC Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CC Valuation Date:

- a) Each Mortgage Loan has a rate of interest parameterized to 6 months Euribor.
- b) Mortgage Loans whose principal outstanding is included between Euro 272,905 and Euro 4,587.
- c) Mortgage Loans with a spread higher than or equal to 50 basis points; and
- d) Arising from Mortgage Loans due to be repaid in full on or before 31 December 2030.

BCC Valle dei Laghi represented and warranted that the Claims it has transferred to the CC Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CC Valuation Date:

- a) Mortgage Loans granted to small and medium sized enterprises and business enterprises with the following features:
 - parameterized to 1 month Euribor;
 - outstanding principal higher than Euro 40,000 and lower than Euro 345,000;
- b) Mortgage Loans granted to individuals with the following features:
 - due to be repaid on or after 1 January 2015;
 - principal outstanding higher than Euro 40,965 and lower than Euro 142,000.
- c) Arising from Mortgage Loans due to be repaid in full on or before 31 December 2030.

BCC Veneziano represented and warranted that the Claims it has transferred to the CC Intermediate Note Issuer pursuant to the relevant Intermediate Note Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the CC Valuation Date:

- a) Each Mortgage Loan has a rate of interest parameterized to 6 months Euribor.
- b) All of the Mortgage Loans have been granted or after on 1 January 2000
- c) No mortgage loan has been granted to shareholders of the Originator

- d) Mortgage Loans whose principal outstanding is included between Euro 70,000 and Euro 420,000
- e) Mortgage Loans with a spread higher than or equal to 130 basis points and lower than or equal to 160 basis points; and
- f) Arising from Mortgage Loans due to be repaid in full on or before 31 December 2030.

The following tables describe the characteristics of the Portfolios as an aggregate and of the single Portfolios compiled from information provided by the Originators in connection with the offering of the Intermediate Notes. The information in the following tables reflects the position as at 2 May 2006. The characteristics of the Portfolios as at the Intermediate Note Issue Date may vary from those set out in the tables as a result, *inter alia*, of repayment or repurchase of Mortgage Loans prior to the Intermediate Note Issue Date.

2. PORTFOLIO SUMMARY



Current Balance Portfolio	EUR	460,406,536	600,453,665
Original Balance Portfolio	EUR	565,573,514	696,937,207
Total Value of "Ipoteca"	EUR	880,271,730	1,325,482,512
Average Current Loan Amount	EUR	106,699	96,150
Average Original Loan Amount	EUR	131,071	111,599
Max Current Loan Amount	EUR	629,524	977,801
Max Original Loan Amount	EUR	2,000,000	1,291,142
Mortgage Loans	Number	4,315	6,245
Weighted Average Seasoning	Months	30.79	26.86
Weighted Average Remaining Maturity	Years	14.53	14.54
Weighted Average Current LTV	%	55.49	56.67
Geographical Concentration (North/Centre)	%	99.5 / 0.3	77.2 / 21.8
Residential Mortgage Loans *	%	83.58	83.49
Commercial Mortgage Loans *	%	16.42	16.51
Fixed Rate Mortgage Loans	%	1.83	2.08
Floating Rate Mortgage Loans	%	98.17	97.92
Top 1/10/20 Obligators	%	0.14 - 1.01 - 1.85	0.16 - 1.19 - 2.04
*by property type			
Source: Originators, Cassa Centrale and ICCREA Banca			

2.1 Cassa Centrale Finance S.r.l.

Break-down by Seller

Bank Name	No. of Loans	%	Outstanding Value	%	Original Value	%
BCC Prealpi	561	13.0%	57,949,112	12.6%	70,707,917	12.5%
BCC Alto Garda	340	7.9%	41,489,161	9.0%	51,161,266	9.0%
BCC Bolzano	384	8.9%	36,773,410	8.0%	50,479,724	8.9%
BCC Pergine	331	7.6%	36,673,590	8.0%	44,500,282	7.9%
BCC Veneziano	326	7.6%	32,339,329	7.0%	36,902,016	6.5%
BCC Lavis	236	5.5%	30,269,856	6.6%	36,309,950	6.4%
BCC Rovereto	211	4.9%	25,727,786	5.6%	30,045,447	5.3%
BCC Marcon	322	7.5%	25,690,966	5.6%	31,300,462	5.5%
BCC Valsabbia	172	4.0%	23,844,084	5.2%	27,364,959	4.8%
BCC Alto Vicentino	186	4.3%	21,584,678	4.7%	24,809,798	4.4%
BCC Mezzolombardo	218	5.1%	18,390,093	4.0%	23,722,747	4.2%
BCC Pinetana	173	4.0%	17,956,432	3.9%	21,233,917	3.8%
BCC Val di Fassa	154	3.6%	16,453,403	3.7%	21,829,630	3.9%
BCC Cavola e Sassuolo	134	3.1%	16,285,818	3.5%	18,946,777	3.4%
BCC Mezzocorona	163	3.8%	15,822,783	3.4%	22,053,796	3.9%
BCC Tione	149	3.5%	15,475,200	3.4%	19,665,743	3.5%
BCC Folgaria	119	2.8%	14,248,472	3.1%	17,615,365	3.1%
BCC Valle dei Laghi	137	3.2%	12,669,619	2.8%	16,923,718	3.0%
Total	4,316	100%	459,643,792	100%	565,573,514	100%

Break-down by Index

Index	No. of Loans	%	Outstanding Value	%	Original Value	%
1 ME	148	3.4%	13,497,410	2.9%	18,260,733	3.2%
3 ME	2,072	48.0%	221,817,251	48.2%	269,472,653	47.6%
6 ME	1,983	46.0%	214,412,766	46.6%	265,339,067	46.9%
Other	112	2.60%	10,679,108	2.32%	12,501,062	2.21%
Total	4,315	100%	460,406,536	100%	565,573,514	100%

Break-down by spread for floating rate contracts

Margin*	No. of Loans	%	Outstanding Value	%	Original Value	%
0% – 1%	249	5.88%	28,729,672	6.36%	36,922,134	6.64%
1% – 2%	3772	89.11%	400,709,265	88.66%	490,018,373	88.15%
2% – 3%	192	4.54%	20,758,425	4.59%	26,037,995	4.68%
3% – 4%	20	0.47%	1,784,419	0.39%	2,924,765	0.53%
Total Floating	4,233	100%	451,981,781	100%	555,903,266	100%

* Margin over reference rate

Break-down by interest rate for fixed rate contracts

Interest Rate	No. of Loans	%	Outstanding Value	%	Original Value	%
> 3% – ≤ 4%	36	43.90%	5,068,102	60.16%	5,225,000	54.03%
> 4% – ≤ 5%	2	2.44%	97,958	1.16%	102,000	1.05%
> 5% – ≤ 6%	34	41.46%	2,791,085	33.13%	3,436,866	35.54%
> 6% – ≤ 7%	7	8.54%	328,577	3.90%	627,495	6.49%
> 7% – ≤ 8%	3	3.66%	139,033	1.65%	278,887	2.88%
Total Fixed	82	100%	8,424,755	100%	9,670,248	100%

Break-down by seasoning

Seasoning (months)	No. of Loans	%	Outstanding Value	%	Original Value	%
0-10	502	11.63%	66,741,677	14.50%	68,557,300	12.12%
10-20	906	21.00%	109,998,693	23.89%	118,638,721	20.98%
20-30	782	18.12%	87,870,127	19.09%	103,222,605	18.25%
30-40	652	15.11%	69,270,725	15.05%	84,930,997	15.02%
40-50	493	11.43%	47,866,414	10.40%	63,415,161	11.21%
50-60	331	7.67%	30,758,542	6.68%	42,890,063	7.58%
60-70	212	4.91%	17,690,710	3.84%	26,497,696	4.69%
70-80	183	4.24%	13,826,824	3.00%	22,780,914	4.03%
80-90	161	3.73%	10,240,070	2.22%	19,317,467	3.42%
90-100	46	1.07%	3,024,688	0.66%	5,910,849	1.05%
100-110	26	0.60%	1,810,947	0.39%	5,458,779	0.97%
110-120	11	0.25%	617,945	0.13%	2,135,033	0.38%
120-130	7	0.16%	398,675	0.09%	1,224,003	0.22%
130-140	2	0.05%	111,738	0.02%	284,051	0.05%
140-150	1	0.02%	178,759	0.04%	309,874	0.05%
Total	4,315	100%	460,406,536	100%	565,573,514	100%

Break-down by outstanding amount

Outstanding Balance	No. of Loans	%	Outstanding Value	%	Original Value	%
0-100,000	2376	55.06%	161,099,687	34.99%	220,304,017	38.95%
100,000-200,000	1636	37.91%	220,721,572	47.94%	253,831,876	44.88%
200,000-300,000	254	5.89%	60,475,627	13.14%	70,104,588	12.40%
300,000-400,000	39	0.90%	13,465,068	2.92%	15,404,953	2.72%
400,000-500,000	8	0.19%	3,507,734	0.76%	4,398,079	0.78%
500,000-600,000	1	0.02%	507,324	0.11%	530,000	0.09%
600,000-700,000	1	0.02%	629,524	0.14%	1,000,000	0.18%
Total	4,315	100%	460,406,536	100%	565,573,514	100%

Break-down by Region

Region	No. of Loans	%	Outstanding Value	%	Original Value	%
VENETO	1,576	36.5%	158,470,290	34.4%	188,499,515	33.3%
TRENTINO ALTO ADIGE	2,419	56.1%	262,931,408	57.1%	331,494,014	58.6%
LIGURIA	3	0.1%	199,834	0.0%	235,000	0.0%
LOMBARDIA	137	3.2%	17,517,646	3.8%	20,438,009	3.6%
FRIULI VENEZIA GIULIA	13	0.3%	1,096,866	0.2%	1,305,127	0.2%
EMILIA ROMAGNA	147	3.4%	17,782,491	3.9%	20,679,994	3.7%
SubTotal North	4,295	99.5%	457,998,535	99.5%	562,651,658	99.5%
TOSCANA	5	0.1%	708,577	0.2%	930,000	0.2%
MARCHE	1	0.0%	217,510	0.0%	280,000	0.0%
LAZIO	5	0.1%	574,896	0.1%	740,856	0.1%
UMBRIA	1	0.0%	182,734	0.0%	200,000	0.0%
SubTotal Center	12	0.3%	1,683,718	0.4%	2,150,856	0.4%
PUGLIA	2	0.0%	131,572	0.0%	140,000	0.0%
MOLISE	1	0.0%	91,639	0.0%	100,000	0.0%
SARDEGNA	1	0.0%	74,457	0.0%	90,000	0.0%
SICILIA	2	0.0%	232,377	0.1%	241,000	0.0%
CAMPANIA	1	0.0%	95,761	0.0%	100,000	0.0%
CALABRIA	1	0.0%	98,477	0.0%	100,000	0.0%
SubTotal South	8	0.2%	724,283	0.2%	771,000	0.1%
Total	4,315	100%	460,406,536	100%	565,573,514	100%

Break-down by Payment Frequency

Payment Frequency	No. Of Loans	%	Outstanding Value	%	Original Value	%
Monthly	3,981	92.3%	418,696,420	90.9%	502,811,224	88.9%
Bi-monthly	2	0.0%	265,521	0.1%	313,000	0.1%
Quarterly	59	1.4%	8,110,719	1.8%	11,049,974	2.0%
Four-monthly	1	0.0%	141,469	0.0%	150,000	0.0%
Semiannually	268	6.2%	32,518,702	7.1%	50,466,761	8.9%
Annually	4	0.1%	673,705	0.1%	782,555	0.1%
Total	4,315	100%	460,406,536	100%	565,573,514	100%

Break-down by Original LTV

Original LTV	No. of Loans	%	Outstanding Value	%	Original Value	%
0%-5%	6	0.1%	577,164	0.1%	925,634	0.2%
5%-10%	3	0.1%	173,750	0.0%	180,000	0.0%
10%-15%	32	0.7%	2,751,381	0.6%	3,725,050	0.7%
15%-20%	67	1.6%	5,556,784	1.2%	7,278,651	1.3%
20%-25%	99	2.3%	7,925,363	1.7%	10,062,808	1.8%
25%-30%	135	3.1%	11,313,783	2.5%	13,194,078	2.3%
30%-35%	160	3.7%	14,663,065	3.2%	17,681,039	3.1%
35%-40%	192	4.4%	18,442,456	4.0%	22,509,885	4.0%
40%-45%	257	6.0%	22,685,675	4.9%	28,209,287	5.0%
45%-50%	242	5.6%	22,003,540	4.8%	27,380,993	4.8%
50%-55%	314	7.3%	33,265,952	7.2%	39,953,924	7.1%
55%-60%	248	5.7%	26,186,231	5.7%	32,776,000	5.8%
60%-65%	291	6.7%	29,691,873	6.4%	36,480,793	6.5%
65%-70%	334	7.7%	35,598,549	7.7%	44,987,688	8.0%
70%-75%	409	9.5%	46,075,765	10.0%	56,157,251	9.9%
75%-80%	899	20.8%	106,961,974	23.2%	130,122,226	23.0%
80%-85%	410	9.5%	51,029,288	11.1%	59,500,484	10.5%
85%-90%	98	2.3%	12,074,786	2.6%	14,695,697	2.6%
90%-95%	53	1.2%	6,081,294	1.3%	8,558,848	1.5%
≥ 95%	66	1.5%	7,347,865	1.6%	11,193,176	2.0%
Total	4,315	100%	460,406,536	100%	565,573,514	100%

Break-down by Current LTV

Current LTV	No. of Loans	%	Outstanding Value	%	Original Value	%
0%-5%	20	0.5%	968,954	0.2%	3,507,853	0.6%
5%-10%	42	1.0%	3,100,096	0.7%	9,020,941	1.6%
10%-15%	100	2.3%	5,745,067	1.2%	12,131,138	2.1%
15%-20%	159	3.7%	10,483,676	2.3%	17,009,846	3.0%
20%-25%	218	5.1%	15,715,760	3.4%	24,216,851	4.3%
25%-30%	249	5.8%	20,905,215	4.5%	30,475,045	5.4%
30%-35%	272	6.3%	23,808,178	5.2%	32,714,319	5.8%
35%-40%	307	7.1%	27,489,157	6.0%	36,347,338	6.4%
40%-45%	299	6.9%	29,405,258	6.4%	37,001,965	6.5%
45%-50%	349	8.1%	35,656,865	7.7%	43,956,897	7.8%
50%-55%	355	8.2%	37,821,475	8.2%	46,435,258	8.2%
55%-60%	304	7.0%	34,449,672	7.5%	40,659,586	7.2%
60%-65%	387	9.0%	44,094,990	9.6%	50,307,627	8.9%
65%-70%	356	8.3%	44,112,274	9.6%	48,995,835	8.7%
70%-75%	415	9.6%	55,296,449	12.0%	59,574,584	10.5%
75%-80%	342	7.9%	50,760,914	11.0%	53,157,514	9.4%
80%-85%	106	2.5%	15,385,087	3.3%	16,503,533	2.9%
85%-90%	14	0.3%	1,670,798	0.4%	1,721,500	0.3%
90%-95%	3	0.1%	426,428	0.1%	261,810	0.0%
95%-100%	18	0.4%	3,110,223	0.7%	1,574,073	0.3%
Total	4,315	100%	460,406,536	100%	565,573,514	100%

Break-down by Property Type

Property Type	No. of Loans	%	Outstanding Value	%	Original Value	%
Villa/Cottage	459	10.64%	52,748,685	11.46%	63,321,995	11.20%
Flat/Apartment	3354	77.73%	332,047,458	72.12%	397,752,952	70.33%
Mixed use (res./comm.)	67	1.55%	11,327,391	2.46%	14,158,653	2.50%
Commercial Property	265	6.14%	43,197,521	9.38%	62,014,018	10.96%
Other	170	3.94%	21,085,481	4.58%	28,325,897	5.01%
Total	4,315	100%	460,406,536	100%	565,573,514	100%

Break-down by Category of Borrower

Borrower	No. of Loans	%	Outstanding Value	%	Original Value	%
Individuals	3601	83.45%	361,180,933	78.45%	432,422,721	76.46%
Family companies	147	3.41%	15,658,627	3.40%	19,919,494	3.52%
Sole entrepreneur	199	4.61%	23,817,021	5.17%	30,031,832	5.31%
Small Enterprises	262	6.07%	43,138,124	9.37%	61,788,074	10.92%
Companies with less than 20 people	79	1.83%	12,537,617	2.72%	16,082,447	2.84%
Other	27	0.63%	4,074,214	0.88%	5,328,946	0.94%
Total	4,315	100%	460,406,536	100%	565,573,514	100%

2.2 Credico Finance 6 S.r.l.

Break-down by Seller

Bank Name	No. Of Loans	%	Outstanding Value	%	Original Value	%
BCC Alto Reno	172	2.75%	12,558,333	2.09%	16,293,711	2.34%
BCC Alzate Brianza	165	2.64%	17,190,941	2.86%	19,980,778	2.87%
BCC Asciano	113	1.81%	10,682,891	1.78%	12,876,560	1.85%
BCC Bassa Friulana	216	3.46%	15,431,104	2.57%	18,770,373	2.69%
BCC Brendola	214	3.43%	20,718,681	3.45%	23,017,496	3.30%
BCC Campiglia	68	1.09%	8,785,288	1.46%	9,507,918	1.36%
BCC Cantù	149	2.39%	24,233,809	4.04%	25,545,000	3.67%
BCC Cartura	190	3.04%	20,368,567	3.39%	23,801,428	3.42%
BCC Bolognese	474	7.59%	33,456,797	5.57%	39,947,755	5.73%
BCC Fiumicello	150	2.40%	12,022,183	2.00%	14,260,994	2.05%
BCC Gaudiano	134	2.15%	5,728,750	0.95%	7,498,756	1.08%
BCC Macerone	106	1.70%	13,784,187	2.30%	14,320,937	2.05%
BCC Marca	964	15.44%	82,825,229	13.79%	99,382,924	14.26%
BCC Metauro	120	1.92%	9,438,554	1.57%	10,642,166	1.53%
BCC Monastier e del Sile	339	5.43%	31,059,173	5.17%	35,102,133	5.04%
BCC Monteriggioni	178	2.85%	24,840,106	4.14%	26,845,846	3.85%
BCC Ostra	132	2.11%	10,304,202	1.72%	12,697,655	1.82%
BCC Pergola	262	4.20%	18,848,613	3.14%	23,772,112	3.41%
BCC Pordenonese	506	8.10%	62,025,192	10.33%	71,947,162	10.32%
BCC Pratola Peligna	184	2.95%	17,078,141	2.84%	18,561,408	2.66%
BCC San Giorgio	336	5.38%	37,808,090	6.30%	40,633,592	5.83%
BCC Sesto SG	243	3.89%	24,062,390	4.01%	29,674,953	4.26%
BCC Signa	191	3.06%	26,965,942	4.49%	31,400,782	4.51%
BCC Suasa	132	2.11%	13,295,351	2.21%	15,034,392	2.16%
BCC Trevigiano	507	8.12%	46,941,150	7.82%	55,420,376	7.95%
Total	6,245	100.00%	600,453,665	100.00%	696,937,207	100.00%

Break-down by Index

Index	No. of Loans	%	Outstanding Value	%	Original Value	%
1 ME	161	2.58%	12,585,684	2.10%	15,992,468	2.29%
3 ME	2,721	43.57%	248,212,217	41.34%	295,940,150	42.46%
6 ME	3,247	51.99%	327,132,686	54.48%	370,912,232	53.22%
Other	116	1.86%	12,523,077	2.09%	14,092,358	2.02%
Total	6,245	100.00%	600,453,665	100.00%	696,937,207	100.00%

Break-down by spread for floating rate contracts

Margin*	No. Of Loans	%	Outstanding Value	%	Original Value	%
0% - 1%	150	2.45%	15,835,222	2.69%	17,879,041	2.62%
1% - 2%	5,010	81.73%	487,987,158	82.99%	566,056,884	82.89%
2% - 3%	845	13.78%	76,132,293	12.95%	87,870,637	12.87%
3% - 4%	121	1.97%	7,687,133	1.31%	10,651,237	1.56%
4% - 5%	4	0.07%	331,451	0.06%	464,520	0.07%
Total	6,130	100.00%	587,973,256	100.00%	682,922,318	100.00%

* Margin over reference rate

Break-down by interest rate for fixed rate contracts

Interest Rate	No. Of Loans	%	Outstanding Value	%	Original Value	%
>=2.80% - <3%	23	20.00%	3,369,225	27.00%	3,436,000	24.52%
>=3% - <4%	50	43.48%	4,707,551	37.72%	5,161,810	36.83%
>=4% - <5%	25	21.74%	2,286,227	18.32%	2,638,340	18.83%
>=6% - <7%	14	12.17%	1,342,221	10.75%	1,761,320	12.57%
>=7% - <8%	3	2.61%	775,185	6.21%	1,017,420	7.26%
Total	115	100.00%	12,480,408	100.00%	14,014,889	100.00%

Break-down by seasoning

Seasoning (months)	No. Of Loans	%	Outstanding Value	%	Original Value	%
0-10	998	15.98%	123,110,180	20.50%	126,546,437	18.16%
10-20	1,449	23.20%	161,028,873	26.82%	171,487,847	24.61%
20-30	1,120	17.93%	114,537,701	19.08%	128,505,880	18.44%
30-40	831	13.31%	73,486,893	12.24%	88,143,929	12.65%
40-50	633	10.14%	52,541,330	8.75%	66,784,269	9.58%
50-60	440	7.05%	33,691,128	5.61%	44,867,879	6.44%
60-70	266	4.26%	16,978,718	2.83%	25,493,889	3.66%
70-80	223	3.57%	12,384,660	2.06%	20,916,092	3.00%
80-90	178	2.85%	9,000,654	1.50%	16,167,828	2.32%
90-100	82	1.31%	2,957,885	0.49%	5,997,614	0.86%
100-110	17	0.27%	552,227	0.09%	1,516,834	0.22%
110-120	8	0.13%	183,416	0.03%	508,710	0.07%
Total	6,245	100.00%	600,453,665	100.00%	696,937,207	100.00%

Break-down by outstanding amount

Outstanding Balance	No. Of Loans	%	Outstanding Value	%	Original Value	%
0-100,000	4,095	65.57%	257,624,179	42.90%	317,076,821	45.50%
100,000-200,000	1,798	28.79%	238,994,977	39.80%	263,195,108	37.76%
200,000-300,000	241	3.86%	58,209,129	9.69%	64,595,217	9.27%
300,000-400,000	66	1.06%	22,827,588	3.80%	24,624,500	3.53%
400,000-500,000	30	0.48%	13,621,668	2.27%	17,144,836	2.46%
500,000-600,000	11	0.18%	5,979,288	1.00%	6,824,394	0.98%
600,000-700,000	1	0.02%	652,903	0.11%	826,331	0.12%
700,000-800,000	1	0.02%	737,726	0.12%	800,000	0.11%
800,000-900,000	1	0.02%	828,406	0.14%	850,000	0.12%
900,000-1,000,000	1	0.02%	977,801	0.16%	1,000,000	0.14%
Total	6,245	100.00%	600,453,665	100.00%	696,937,207	100.00%

Break-down by Region

Property Location	No. Of Loans	%	Outstanding Value	%	Original Value	%
Emilia Romagna	736	11.79%	58,549,219	9.75%	69,140,605	9.92%
Friuli Venezia Giulia	911	14.59%	87,027,859	14.49%	102,607,346	14.72%
Lombardia	565	9.05%	66,212,880	11.03%	76,255,036	10.94%
Piemonte	6	0.10%	822,301	0.14%	856,000	0.12%
Trentino Alto Adige	2	0.03%	659,435	0.11%	700,000	0.10%
Veneto	2,578	41.28%	250,319,338	41.69%	288,371,758	41.38%
Sub Total North	4,798	76.83%	463,591,032	77.21%	537,930,745	77.18%
Lazio	15	0.24%	1,776,055	0.30%	2,060,608	0.30%
Toscana	484	7.75%	62,161,371	10.35%	70,869,467	10.17%
Marche	621	9.94%	49,866,906	8.30%	59,613,006	8.55%
Abruzzo	180	2.88%	16,423,757	2.74%	17,866,408	2.56%
Umbria	7	0.11%	573,500	0.10%	679,899	0.10%
Sub Total Center	1,307	20.93%	130,801,588	21.78%	151,089,390	21.68%
Puglia	3	0.05%	218,556	0.04%	291,317	0.04%
Sicilia	1	0.02%	31,164	0.01%	37,000	0.01%
Basilicata	133	2.13%	5,672,951	0.94%	7,438,756	1.07%
Calabria	2	0.03%	95,496	0.02%	98,000	0.01%
Campania	1	0.02%	42,878	0.01%	52,000	0.01%
Sub Total South	140	2.24%	6,061,045	1.01%	7,917,073	1.14%
Total	6,245	100.00%	600,453,665	100.00%	696,937,207	100.00%

Break-down by Payment Frequency

Payment Frequency	No. Of Loans	%	Outstanding Value	%	Original Value	%
Monthly	5,924	94.86%	566,799,913	94.40%	652,723,398	93.66%
Bi-Monthly	3	0.05%	203,079	0.03%	261,317	0.04%
Quarterly	52	0.83%	5,743,064	0.96%	7,535,266	1.08%
Four-monthly	3	0.05%	271,273	0.05%	305,000	0.04%
Semiannually	262	4.20%	27,377,080	4.56%	36,032,227	5.17%
Annually	1	0.02%	59,256	0.01%	80,000	0.01%
Total	6,245	100.00%	600,453,665	100.00%	696,937,207	100.00%

Break-down by Original LTV

Original LTV	No. Of Loans	%	Outstanding Value	%	Original Value	%
0%-5%	3	0.05%	146,072	0.02%	215,592	0.03%
5%-10%	21	0.34%	733,909	0.12%	897,956	0.13%
10%-15%	52	0.83%	2,279,439	0.38%	2,743,887	0.39%
15%-20%	103	1.65%	6,491,429	1.08%	7,673,698	1.10%
20%-25%	132	2.11%	8,833,060	1.47%	10,410,683	1.49%
25%-30%	201	3.22%	13,000,416	2.17%	15,427,344	2.21%
30%-35%	320	5.12%	24,813,488	4.13%	29,381,431	4.22%
35%-40%	372	5.96%	29,745,431	4.95%	35,388,321	5.08%
40%-45%	399	6.39%	33,443,738	5.57%	39,451,571	5.66%
45%-50%	362	5.80%	30,356,995	5.06%	36,472,997	5.23%
50%-55%	473	7.57%	42,676,919	7.11%	50,544,666	7.25%
55%-60%	426	6.82%	41,907,180	6.98%	48,176,836	6.91%
60%-65%	394	6.31%	37,822,540	6.30%	43,980,849	6.31%
65%-70%	500	8.01%	48,730,385	8.12%	58,017,405	8.32%
70%-75%	513	8.21%	52,506,241	8.74%	60,069,665	8.62%
75%-80%	1,038	16.62%	118,213,620	19.69%	134,294,333	19.27%
80%-85%	448	7.17%	52,342,994	8.72%	59,814,522	8.58%
85%-90%	169	2.71%	19,651,627	3.27%	21,869,058	3.14%
90%-95%	143	2.29%	16,999,421	2.83%	18,854,856	2.71%
≥ 95%	176	2.82%	19,758,761	3.29%	23,251,537	3.34%
Total	6,245	100.00%	600,453,665	100.00%	696,937,207	100.00%

Break-down by Current LTV

Current LTV	No. Of Loans	%	Outstanding Value	%	Original Value	%
0%-5%	17	0.27%	275,241	0.05%	917,923	0.13%
5%-10%	71	1.14%	1,987,601	0.33%	3,777,080	0.54%
10%-15%	138	2.21%	5,655,487	0.94%	8,994,948	1.29%
15%-20%	206	3.30%	11,249,000	1.87%	17,071,007	2.45%
20%-25%	278	4.45%	17,018,901	2.83%	23,080,246	3.31%
25%-30%	369	5.91%	28,407,902	4.73%	37,587,876	5.39%
30%-35%	446	7.14%	35,319,415	5.88%	44,113,267	6.33%
35%-40%	446	7.14%	36,062,310	6.01%	43,565,376	6.25%
40%-45%	458	7.33%	38,471,297	6.41%	45,516,728	6.53%
45%-50%	480	7.69%	46,183,476	7.69%	54,610,674	7.84%
50%-55%	456	7.30%	43,408,842	7.23%	51,414,448	7.38%
55%-60%	466	7.46%	48,218,446	8.03%	55,056,342	7.90%
60%-65%	453	7.25%	46,296,666	7.71%	52,271,261	7.50%
65%-70%	476	7.62%	54,684,061	9.11%	60,287,049	8.65%
70%-75%	630	10.09%	76,416,906	12.73%	81,977,311	11.76%
75%-80%	469	7.51%	61,528,362	10.25%	64,381,086	9.24%
80%-85%	158	2.53%	18,739,322	3.12%	19,894,372	2.85%
85%-90%	125	2.00%	15,862,315	2.64%	17,046,523	2.45%
90%-95%	93	1.49%	12,848,324	2.14%	13,494,689	1.94%
≥ 95%	10	0.16%	1,819,791	0.30%	1,879,000	0.27%
Total	6,245	100.00%	600,453,665	100.00%	696,937,207	100.00%

Break-down by Property Type

Property Type	No. Of Loans	%	Outstanding Value	%	Original Value	%
Commercial Property	245	3.92%	45,932,923	7.65%	58,090,313	8.34%
Flat	1,175	18.82%	126,275,289	21.03%	143,560,439	20.60%
House	4,430	70.94%	375,034,736	62.46%	432,310,779	62.03%
Holiday Farm	14	0.22%	3,648,829	0.61%	3,944,685	0.57%
Office	90	1.44%	10,853,996	1.81%	13,183,169	1.89%
Shop	141	2.26%	18,996,165	3.16%	22,086,274	3.17%
Other	150	2.40%	19,711,726	3.28%	23,761,548	3.41%
Total	6,245	100.00%	600,453,665	100.00%	696,937,207	100.00%

Break-down by Category of Borrower

Borrower Type	No. Of Loans	%	Outstanding Value	%	Original Value	%
Individuals	5,237	83.86%	464,161,757	77.30%	531,222,336	76.22%
Family Companies	244	3.91%	23,589,862	3.93%	27,879,629	4.00%
Sole Entrepreneur	287	4.60%	31,180,166	5.19%	36,658,415	5.26%
Small enterprises with less than 20 people	451	7.22%	78,696,031	13.11%	97,466,231	13.98%
Other	26	0.42%	2,825,849	0.47%	3,710,598	0.53%
Total	6,245	100.00%	600,453,665	100.00%	696,937,207	100.00%

INFORMATION REGARDING THE INVESTOR NOTE ISSUER

1. GENERAL

The Investor Note Issuer was incorporated in Ireland as a public limited company on 8 May 2006, with registration number 419676 under the name BCC Mortgages PLC, under the Companies Acts 1963-2005.

The registered office of the Investor Note Issuer is at Trinity House, Charleston Road, Ranelagh, Dublin 6, Ireland. The telephone number of the Investor Note Issuer is +353 1491 4055. The authorised share capital of the Investor Note Issuer is Euro 40,000 divided into 40,000 Ordinary Shares of Euro 1 each (the "**Investor Note Issuer Shares**"). The Investor Note Issuer has issued 40,000 Investor Note Issuer Shares all of which are fully paid. The issued Investor Note Issuer Shares are held directly and indirectly by three Irish companies limited by guarantee: Badb Charitable Trust Limited, Medb Charitable Trust Limited and Eurydice Charitable Trust Limited (each an "**Investor Note Issuer Share Trustee**", and together, the "**Investor Note Issuer Share Trustees**"), on trust for charitable purposes. Each Investor Note Issuer Share Trustee has, inter alia, undertaken not to exercise its voting rights to wind up the Investor Note Issuer unless and until it has received written confirmation from the directors of the Investor Note Issuer that the Investor Note Issuer does not intend to carry on further business. To the best of its knowledge, the Investor Note Issuer is not directly or indirectly owned or controlled by any other party apart from the Investor Note Issuer Share Trustees.

The Investor Note Issuer has been established as a special purpose vehicle. The principal activities of the Investor Note Issuer are the issuance of financial instruments, the acquisition of financial assets and the entering into of other legally binding arrangements. Since the date of its incorporation, the Investor Note Issuer has not commenced operations and has not entered into any agreement or effected any transaction other than those related to the conditional purchase of the Intermediate Notes. The execution by the Investor Note Issuer of the Transaction Documents and the issue of the Investor Notes were authorised by a resolution of the directors which took place on 1 June 2006.

2. DIRECTORS AND COMPANY SECRETARY

The directors of the Investor Note Issuer are as follows:

Frank Heffernan	John Gerard Murphy
23 The Pines	Blessington Road
Castleknock	Tallaght
Dublin 15	Dublin 24
Ireland	Ireland

The principal activity of each of the directors of the Investor Note Issuer is that of company director. Neither director has any other principal activity outside of his directorship of the Investor Note Issuer which are significant with respect to the Investor Note Issuer.

Registered office of the Investor Note Investor Note Issuer is:

Trinity House
Charleston Road
Ranelagh
Dublin 6
Ireland

The company secretary is Structured Finance Management (Ireland) Limited (the "**Investor Note Issuer Administrator**").

The Investor Note Issuer Administrator is the administrator of the Investor Note Issuer. Its duties include the provision of certain administrative, accounting and related services. The appointment of the Investor Note Issuer Administrator may be terminated forthwith if the Investor Note Issuer Administrator commits any material breach of the Investor Note Issuer Administration Agreement between the Investor Note Issuer and the Investor Note Issuer Administrator, is unable to pay its debts as they fall due or becomes subject to insolvency or other related proceedings. The Investor Note Issuer Administrator may retire upon three month's written notice subject to the appointment of an alternative administrator on similar terms to the existing Investor Note Issuer Administrator. The business address of the Investor Note Issuer Administrator is Trinity House, Charleston Road, Ranelagh, Dublin 6, Ireland.

3. FINANCIAL STATEMENTS

The Investor Note Issuer has not prepared financial statements as of the date of this Offering Circular. It intends to publish its first financial statements in respect of the period ending on 31 December 2006. The Investor Note Issuer will not prepare interim financial statements.

The auditors of the Investor Note Issuer are BDO Simpson Xavier, Beaux Lane House, Mercer Street Lower, Dublin 2 who are chartered accountants and are members of the Institute of Chartered Accountants in Ireland (ICAI) and are qualified to practise as auditors in Ireland.

INFORMATION REGARDING THE INTERMEDIATE NOTE ISSUERS

1. THE CF INTERMEDIATE NOTE ISSUER

1.1 Introduction

The CF Intermediate Note Issuer was incorporated in the Republic of Italy pursuant to Article 3 of Law 130, as a *società a responsabilità limitata* (limited liability company) on 3 February 2006 under the name of Credico Finance 6 S.r.l., enrolled in the Register of Companies of Rome and registered at No. 37725 in the register held by Ufficio Italiano Cambi pursuant to Article 106 of the Consolidated Banking Act and in the special register of financial intermediaries held by the Bank of Italy pursuant to Article 107 of the Consolidated Banking Act. Since the date of its incorporation, the CF Intermediate Note Issuer has not engaged in any business not related with the purchase of the CF Portfolios, no financial statements have been prepared, no dividends have been declared or paid. The CF Intermediate Note Issuer has no employees. The authorised and issued capital of the CF Intermediate Note Issuer is Euro 10,000 fully paid up as of the date of this Offering Circular. The quotaholders of the CF Intermediate Note Issuer are as follows: Stichting Melograno 3 which holds a quota equal to Euro 5,000 and Stichting Melograno 4 which holds a quota equal to Euro 5,000 (Stichting Melograno 3 and Stichting Melograno 4 are collectively the "**CF Quotaholders**"). The duration of the CF Intermediate Note Issuer is up to 31 December 2051. None of the Quotaholders has unlimited liability. To the best of its knowledge, the CF Intermediate Note Issuer is not directly or indirectly owned or controlled by any other party apart from the CF Quotaholders.

1.2 Principal Activities

The scope of the CF Intermediate Note Issuer, as set out in Article 2 of its By-laws (Statuto), is exclusively to purchase monetary claims in the context of securitisation transactions, and to fund such purchase by issuing asset backed securities or by other forms of limited recourse financing, all pursuant to Article 3 of Law 130. The issuance of the CF Intermediate Notes was approved by means of a Quotaholders' meeting on 26 May 2006. So long as any of the CF Intermediate Notes remains outstanding, the CF Intermediate Note Issuer shall not, without the consent of the Representative of the Noteholders and as provided for in the relevant Investor Note Conditions, incur any other indebtedness for borrowed monies or engage in any business (other than acquiring and holding the CF Portfolios, issuing the CF Intermediate 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 person or convey or transfer its property or assets to any person (otherwise than as contemplated in the Investor Note Conditions) or increase its capital. The CF Intermediate Note Issuer will covenant to observe, *inter alia*, those restrictions which are detailed in the Investor Note Conditions.

The CF Intermediate Note Issuer is not involved in any legal or arbitration proceedings which may have, or have had, since the date of its incorporation, a significant effect on its financial position nor is the CF Intermediate Note Issuer aware that any such proceedings being pending or threatened.

1.3 Directors and registered office

The sole director of the CF Intermediate Note Issuer is Mr. Antonio Bertani. There are no actual or potential conflicts of interest between duties of Mr. Antonio Bertani owed to the CF Intermediate Note Issuer in his capacity as the sole director of the CF Intermediate Note Issuer and his private interest and/or other directorship positions. The CF Intermediate Note Issuer's registered office is at Largo Chigi 5, Rome, Italy (telephone number: +39 06 69775725; fax number: +39 0669775720/1).

Curriculum Vitae - ANTONIO BERTANI

Born in L'Aquila on 19/09/1944 - Degree in Economic and Commercial Science at the "L. Bocconi" University of Milan with marks of 110 cum laude;

Certified Public Accountant (Register of Rome, n. 2343 since 1973); Auditor (prog. number 5262 by Legislative Decree 12/04/1995);

Contract Professor in Accounting at the University of Rome "Roma Tre";

Technical Consultant in banking and commerce for the Civil and Criminal Court of Rome – Trustee in bankruptcy – Advisor for Local Bodies and Banks.

Board Chairman of "STUBE S.p.A" trust company;

Audit President of "Farst S.p.A", of Irl S.r.l and of "Italia Turismo S.p.A.";

Effective Auditor of "Banca di Roma S.p.A" of "Cia S.r.l" , of "Inso S.p.A." and of "Tredil S.p.A.";

Member of the Watchdog committee of "Fidterziario S.p.A." and related companies;

Managing Director of "Cassa di Risparmio di Volterra S.p.A.";

Commissioner of "Giacomelli Sport S.p.A." and of the other companies of the group, both Italian and foreign;

President of the Regional Group of Lazio and National President of the Audit Committee of the "UCID (*Unione Cristiana Imprenditori e Dirigenti*)"; member of the "BANCA DI CREDITO COOPERATIVO DI ROMA" and of "NUOVO CIRCOLO DEGLI SCACCHI" in Rome, of the association *Roma Europea* and of *San Giovanni di Firenze*; member of the *President's Advisory Council of the American University of Rome*; member of the *Accademia Italiana della Cucina*; honorary member of the *Società Toscana di Caccia alla Volpe*; Cavalier of the *Ordine Internazionale di Sant Hubertus*.

1.4 Capitalisation and indebtedness statement

The capitalisation of the CF Intermediate Note Issuer as at the date of this Offering Circular, adjusted for the issue of the CF Intermediate Notes now being issued on the Intermediate Note Issue Date, is as follows:

Capital: Issued and fully paid up - Euro 10,000

In connection with the issue by the CF Intermediate Note Issuer of the CF Intermediate Notes referred to in this Offering Circular, the transaction would be reported as an off-balance sheet transaction in the Nota Integrativa to the financial statements of the CF Intermediate Note Issuer at the date the transaction is completed, as follows:

1.5 Off-balance sheet assets and liabilities

Class A Asset Backed Floating Rate Notes due March 2038, Euro 563,985,000.

Class B Asset Backed Floating Rate Notes due March 2038, Euro 24,000,000.

Class C1 Asset Backed Floating Rate Notes due March 2038, Euro 346,941.

Class C2 Asset Backed Floating Rate Notes due March 2038, Euro 266,199.

Class C3 Asset Backed Floating Rate Notes due March 2038, Euro 231,891.

Class C4 Asset Backed Floating Rate Notes due March 2038, Euro 314,783.

Class C5 Asset Backed Floating Rate Notes due March 2038, Euro 684,797.
Class C6 Asset Backed Floating Rate Notes due March 2038, Euro 416,681.
Class C7 Asset Backed Floating Rate Notes due March 2038, Euro 189,192.
Class C8 Asset Backed Floating Rate Notes due March 2038, Euro 504,809.
Class C9 Asset Backed Floating Rate Notes due March 2038, Euro 422,567.
Class C10 Asset Backed Floating Rate Notes due March 2038, Euro 718,090.
Class C11 Asset Backed Floating Rate Notes due March 2038, Euro 241,183.
Class C12 Asset Backed Floating Rate Notes due March 2038, Euro 124,750.
Class C13 Asset Backed Floating Rate Notes due March 2038, Euro 297,187.
Class C14 Asset Backed Floating Rate Notes due March 2038, Euro 1,366,229.
Class C15 Asset Backed Floating Rate Notes due March 2038, Euro 196,554.
Class C16 Asset Backed Floating Rate Notes due March 2038, Euro 583,173.
Class C17 Asset Backed Floating Rate Notes due March 2038, Euro 540,106.
Class C18 Asset Backed Floating Rate Notes due March 2038, Euro 208,202.
Class C19 Asset Backed Floating Rate Notes due March 2038, Euro 385,613.
Class C20 Asset Backed Floating Rate Notes due March 2038, Euro 1,230,192.
Class C21 Asset Backed Floating Rate Notes due March 2038, Euro 356,599.
Class C22 Asset Backed Floating Rate Notes due March 2038, Euro 477,656.
Class C23 Asset Backed Floating Rate Notes due March 2038, Euro 557,942.
Class C24 Asset Backed Floating Rate Notes due March 2038, Euro 285,351.
Class C25 Asset Backed Floating Rate Notes due March 2038, Euro 938,150.

TOTAL OFF-BALANCE SHEET INDEBTEDNESS Euro 599,869,837

Following the issue of the CF Intermediate Notes and save for the foregoing, the CF Intermediate Note 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.

1.6 Auditors' report with reference to financial statements

The following is the text of a report received by the sole director of the CF Intermediate Note Issuer at the request of the latter from its external auditors, Reconta Ernst & Young S.p.A., a company incorporated under Italian law as a joint stock company and having its registered office in Rome, via G.B. Romagnosi 18/a. Reconta Ernst & Young S.p.A. is registered under no. 2 in the Special Register

(Albo Speciale) maintained by Consob and set out at article 161 of the Unified Text of the Rules for the Capital Markets (Testo Unico delle Disposizioni in materia di mercati finanziari) and under no.70945 in the Register of Accountancy Auditors (Registro dei Revisori Contabili), in compliance with the provisions of the Legislative Decree 27th January 1992, n.88. Reconta Ernst & Young S.p.A., is also a member of ASSIREVI (Associazione Italiana Revisori Contabili), the Italian association of auditing firms. The accompanying financial statements of the CF Intermediate Note Issuer as at 30 April 2006 are derived from the statutory accounts of the CF Intermediate Note Issuer which have been prepared since its incorporation on 3 February 2006. As of the last audited accounts, and save as disclosed in this document, there has been no material adverse change in the financial position, trading and prospects of the CF Intermediate Note Issuer since the date of its incorporation that is material in the context of the issue of the CF Intermediate Notes. The CF Intermediate Note Issuer's reporting accounting reference date will be 31 December 2006 with the first statutory accounts being presented up to 31 December 2006.

1.7 Auditors' Report

To the sole director
of Credico Finance 6 S.r.l.

We have audited the balance sheet of Credico Finance 6 S.r.l. (the "**CF Intermediate Note Issuer**") as at 30 April 2006 and the related statement of loss from the date of its formation, on 3 February 2006, to 30 April 2006. These financial statements are the responsibility of the CF Intermediate Note Issuer's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Our audit was made in accordance with auditing standards generally accepted in Italy. In accordance with such standards we planned and performed our audit to obtain the information necessary in order to determine whether the financial statements are materially misstated and if such financial statements, taken as whole, may be relied upon. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements as well as assessing the appropriateness of the accounting principles applied and the reasonableness of the estimates made by the management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Credico Finance 6 S.r.l. as at 30 April 2006 and its loss for the period from the date of its formation on 3 February 2006 to 30 April 2006 in accordance with Italian regulations governing financial statements.

Rome, Italy,

[•]

RECONTA ERNST & YOUNG S.P.A.

Credico Finance 6 S.r.l.

**Balance Sheet
as at April, 30th 2006**

Assets	euro
Other assets	10.000
Total Assets	10.000
Liabilities	
Other liabilities	3.031
Quotaholders' Equity	
Capital 10,000 quotas of euro 1,00 each	10.000
Loss for the period	(3.031)
Total Quotaholders' Equity	6.969
Total Liabilities and Quotaholders' Equity	10.000

**Statement of Loss
for the period from the date of formation on February 3rd, 2006 to April 30th, 2006**

Administrative expenses	
Other management expenses	1.321
Loss for the period	1.710

**Notes to Financial Statements
dated as at April, 30th 2006 and for the period from the date of its formation on February 3rd,
2006 to April, 30th 2006**

The financial statements of the CF Intermediate Note Issuer consist of the balance sheet as at April 30th, 2006 and of the statement of loss for the period from the date of its formation on February 3rd, 2006 to April 30th, 2006. The capital of CF Intermediate Note Issuer is owned by Stichting Melograno 3 (50% of the quotas) and by Stichting Melogrando 4 (50% of the quotas).

Pursuant to the regulations issued by the Bank of Italy on 22 March 2000, securitisation transactions of loan receivables are to be accounted for by the CF Intermediate Note Issuer as off-balance sheet assets and liabilities, costs and revenues, and the accounting information relating to the securitisation of loan receivables will be reported by Credico Finance 6 S.r.l. in the explanatory notes to its financial statements composed of balance sheet and statement of loss.

Credico Finance 6 S.r.l. has not carried out any credit securitisation or trading operations nor has it reported any income. In addition, the CF Intermediate Note Issuer has incurred certain costs for its incorporation, which have been capitalized as deferred organisation costs, and other costs represented by taxes on legalisation of corporate books, other services and commissions which have been recorded as other management expenses in the statement of loss for the period from the date of its formation, on 3 February 2006 to April 30th, 2006.

1.8 Inspection of documents

Copies of the following documents may be inspected (and, in the case of the documents listed in (a) below, may be obtained) during usual business hours at the Representative of the Noteholders at any time after the Intermediate Note Issue Date:

- (a) the *Statuto* and *Atto Costitutivo* of the CF Intermediate Note Issuer;
- (b) the CF Transfer Agreements;
- (c) the CF Warranty and Indemnity Agreement;
- (d) the CF Cash Administration and Agency Agreement;
- (e) the CF Liquidity Agreement;
- (f) the CF Subscription Agreement;
- (g) the CF Class C Subscription Agreement;
- (h) the CF Swap Agreement;
- (i) the CF Servicing Agreement;
- (j) the CF Back-up Servicing Agreement;
- (k) the CF Intercreditor Agreement;
- (l) the CF Deed of Pledge;
- (m) the CF Deed of Charge;
- (n) the CF Corporate Services Agreement;
- (o) the CF Stichting Corporate Services Agreement;
- (p) the CF Quotaholders' Agreement;
- (q) the CF Limited Recourse Loan Agreement;
- (r) Payments Undertaking Agreement;
- (s) balance sheet and all financial information of the CF Intermediate Note Issuer;
- (t) income statement of the CF Intermediate Note Issuer;
- (u) the accounting policies and explanatory notes of the CF Intermediate Note Issuer; and
- (v) audit report of the CF Intermediate Note Issuer.

2. THE CC INTERMEDIATE NOTE ISSUER

2.1 Introduction

The CC Intermediate Note Issuer was incorporated in the Republic of Italy pursuant to Article 3 of Law 130, as a *società a responsabilità limitata* (limited liability company) on 10 February 2006 under the name of Cassa Centrale Finance S.r.l., enrolled in the Register of Companies of Rome and registered at No. 08868341002 in the register held by Ufficio Italiano Cambi pursuant to Article 106 of the Consolidated Banking Act and in the special register of financial intermediaries held by the Bank of Italy pursuant to Article 107 of the Consolidated Banking Act. Since the date of its incorporation, the CC Intermediate Note Issuer has not engaged in any business not related with the purchase of the CC Portfolios, no financial statements have been prepared, no dividends have been declared or paid. The CC Intermediate Note Issuer has no employees. The authorised and issued capital of the CC Intermediate Note Issuer is Euro 10,000 fully paid up as of the date of this Offering Circular. The quotaholders of the CC Intermediate Note Issuer are as follows: Stichting Tridentum which holds a quota equal to Euro 10,000 (the "CC Quotaholder"). The duration of the CC Intermediate Note Issuer is up to 31 December 2051. The Quotaholder has limited liability. To the best of its knowledge, the CC Intermediate Note Issuer is not directly or indirectly owned or controlled by any other party apart from the CC Quotaholder.

2.2 Principal Activities

The scope of the CC Intermediate Note Issuer, as set out in Article 2 of its By-laws (Statuto), is exclusively to purchase monetary claims in the context of securitisation transactions, and to fund such purchase by issuing asset backed securities or by other forms of limited recourse financing, all pursuant to Article 3 of Law 130. The issuance of the CC Intermediate Notes was approved by means of a Quotaholders' meeting on 19 May 2006. So long as any of the CC Intermediate Notes remains outstanding, the CC Intermediate Note Issuer shall not, without the consent of the Representative of the Noteholders and as provided for in the relevant Investor Note Conditions, incur any other indebtedness for borrowed monies or engage in any business (other than acquiring and holding the CC Portfolios, issuing the CC Intermediate 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 person or convey or transfer its property or assets to any person (otherwise than as contemplated in the Investor Note Conditions) or increase its capital. The CC Intermediate Note Issuer will covenant to observe, *inter alia*, those restrictions which are detailed in the Investor Note Conditions.

The CC Intermediate Note Issuer is not involved in any legal or arbitration proceedings which may have, or have had, since the date of its incorporation, a significant effect on its financial position nor is the CC Intermediate Note Issuer aware that any such proceedings being pending or threatened.

2.3 Directors and registered office

The sole director of the CC Intermediate Note Issuer is Umberto Dalla Zuanna. There are no actual or potential conflicts of interest between duties of Umberto Dalla Zuanna owed to the CF Intermediate Note Issuer in his capacity as the sole director of the CC Intermediate Note Issuer and his private interest and/or other directorship positions. The CC Intermediate Note Issuer's registered office is at via Segantini 5, 38100 Trento, Italy (telephone number: +39 06 69775725; fax number: +39 0669775720/1).

Curriculum Vitae of Umberto Dalla Zuanna

DALLA ZUANNA UMBERTO
Resident: Via Zell di Cognola, 19 - 38100 TRENTO

CURRICULUM VITAE

- Born in Valstagna (VI), on 1 December 1949
- Mining industrial diploma
- Sociology degree (economic industrial specialism)
- Successive from degree, he started a collaboration with the department of Economics of the University of Trento, and he also made research and publications
- From 1970 to 1980, employed by the Region of Trentino Alto Adige and the Autonomous Province of Trento in the mining, agriculture, commercial, industrial and manufacturing sectors, then responsible for the Energy Service (realisation of the first Provincial Energetic Plan and definition of the "Progetto Interporto Doganale")
- From 1980 to 1993, employed by the Associazione Artigiani della Provincia di Trento in its capacity as responsible of the economical activities, Manager of the Cooperativa Artigiana di Garanzia (the CONFIDI of the manufacturing sector), Manager of the Consorzio ASSOFIDI.
- In the meantime, from 1980 to 1990, he worked as director of SIT (Società Industriale Trentina – now called TRENTINO ENERGIA), as Vice-President and then as President. During this time, the methanization of the Region of Trentino was completed.
- During the same period, he also covered the quality of Director in various companies of the SIT Group, as well as first President of the TRENTINO ENERGIA.
- From 1994 to 2004, he was General Director of the Federazione Trentina della Cooperazione (body representing the Cooperazione Trentina, the purpose of which is representing, directing, coordinating and supervising the entire cooperative movement).
- Registered as auditor
- Currently he is a companies consultant

2.4 Capitalisation and indebtedness statement

The capitalisation of the CC Intermediate Note Issuer as at the date of this Offering Circular, adjusted for the issue of the CC Intermediate Notes now being issued on the Intermediate Note Issue Date, is as follows:

Capital: Issued and fully paid up - Euro 10,000

In connection with the issue by the CC Intermediate Note Issuer of the CC Intermediate Notes referred to in this Offering Circular, the transaction would be reported as an off-balance sheet transaction in the Nota Integrativa to the financial statements of the CC Intermediate Note Issuer at the date the transaction is completed, as follows:

2.5 Off-balance sheet assets and liabilities

Class A Asset Backed Floating Rate Notes due March 2038, Euro 432,065,000.

Class B Asset Backed Floating Rate Notes due March 2038, Euro 18,400,000.

Class C1 Asset Backed Floating Rate Notes due March 2038, Euro 815,160.52.

Class C2 Asset Backed Floating Rate Notes due March 2038, Euro 424,677.81.

Class C3 Asset Backed Floating Rate Notes due March 2038, Euro 724,409.77.

Class C4 Asset Backed Floating Rate Notes due March 2038, Euro 335,818.35.

Class C5 Asset Backed Floating Rate Notes due March 2038, Euro 294,472.09.

Class C6 Asset Backed Floating Rate Notes due March 2038, Euro 614,856.17.

Class C7 Asset Backed Floating Rate Notes due March 2038, Euro 512,966.27.
Class C8 Asset Backed Floating Rate Notes due March 2038, Euro 326,782.55.
Class C9 Asset Backed Floating Rate Notes due March 2038, Euro 377,092.72.
Class C10 Asset Backed Floating Rate Notes due March 2038, Euro 739,589.82.
Class C11 Asset Backed Floating Rate Notes due March 2038, Euro 358,432.03.
Class C12 Asset Backed Floating Rate Notes due March 2038, Euro 1,160,112.22.
Class C13 Asset Backed Floating Rate Notes due March 2038, Euro 492,786.44.
Class C14 Asset Backed Floating Rate Notes due March 2038, Euro 308,199.70.
Class C15 Asset Backed Floating Rate Notes due March 2038, Euro 331,402.55.
Class C16 Asset Backed Floating Rate Notes due March 2038, Euro 253,618.98.
Class C17 Asset Backed Floating Rate Notes due March 2038, Euro 480,084.47.
Class C18 Asset Backed Floating Rate Notes due March 2038, Euro 628,329.57.

TOTAL OFF-BALANCE SHEET INDEBTEDNESS Euro 459,643,792.03

Following the issue of the CC Intermediate Notes and save for the foregoing, the CC Intermediate Note 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.

2.6 Auditors' report with reference to financial statements

The following is the text of a report received by the sole director of the CC Intermediate Note Issuer at the request of the latter from its external auditors, Reconta Ernst & Young S.p.A., a company incorporated under Italian law as a joint stock company and having its registered office in Rome, via G.B. Romagnosi 18/a. Reconta Ernst & Young S.p.A. is registered under no. 2 in the Special Register (Albo Speciale) maintained by Consob and set out at article 161 of the Unified Text of the Rules for the Capital Markets (Testo Unico delle Disposizioni in materia di mercati finanziari) and under no.70945 in the Register of Accountancy Auditors (Registro dei Revisori Contabili), in compliance with the provisions of the Legislative Decree 27th January 1992, n.88. Reconta Ernst & Young S.p.A., is also a member of ASSIREVI (Associazione Italiana Revisori Contabili), the Italian association of auditing firms. The accompanying financial statements of the CC Intermediate Note Issuer as 30 April 2006 are derived from the statutory accounts of the CC Intermediate Note Issuer which have been prepared since its incorporation on 10 February 2006. As of the last audited accounts, and save as disclosed in this document, there has been no material adverse change in the financial position, trading and prospects of the CC Intermediate Note Issuer since the date of its incorporation that is material in the context of the issue of the CC Intermediate Notes. The CC Intermediate Note Issuer's reporting accounting reference date will be 31 December 2006 with the first statutory accounts being presented up to 31 December 2006.

2.7 Auditors' Report

To the sole director
of Cassa Centrale Finance S.r.l.

We have audited the balance sheet of Cassa Centrale Finance S.r.l. (the "**CC Intermediate Note Issuer**") as at 30 April 2006 and the related statement of loss from the date of its formation, on February 10th, to 30 April 2006. These financial statements are the responsibility of the CC Intermediate Note Issuer's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Our audit was made in accordance with auditing standards generally accepted in Italy. In accordance with such standards we planned and performed our audit to obtain the information necessary in order to determine whether the financial statements are materially misstated and if such financial statements, taken as whole, may be relied upon. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements as well as assessing the appropriateness of the accounting principles applied and the reasonableness of the estimates made by the management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cassa Centrale Finance S.r.l. as at April 30th, 2006 and its loss for the period from the date of its formation on 10 February 2006 to April 30th, 2006 in accordance with Italian regulations governing financial statements.

Rome Italy,

[•]

RECONTA ERNST & YOUNG S.P.A.

Cassa Centrale Finance S.r.l.

Balance Sheet as at April, 30th 2006

Assets	euro
Other assets	10.000
Total Assets	10.000
Liabilities	
Other liabilities	3.031
Quotaholders' Equity	
Capital 10,000 quotas of euro 1,00 each	10.000
Loss for the period	(3.031)
Total Quotaholders' Equity	6.969
Total Liabilities and Quotaholders' Equity	10.000

Statement of Loss
for the period from the date of formation on February 10th to 2006 to April 30th, 2006

Administrative expenses	
Other management expenses	1.321
Loss for the period	1.710

Notes to Financial Statements
dated as at April, 30th 2006 and for the period from the date of its formation on February 10th, 2006 to April, 30th 2006

The financial statements of the CC Intermediate Note Issuer consist of the balance sheet as at April 30th, 2006 and of the statement of loss for the period from the date of its formation on 10 February 2006 to April 30th, 2006. The capital of CC Intermediate Note Issuer is owned by Stichting Tridentum (100% of the quotas).

Pursuant to the regulations issued by the Bank of Italy on 22 March 2000, securitisation transactions of loan receivables are to be accounted for by the Issuer as off-balance sheet assets and liabilities, costs and revenues, and the accounting information relating to the securitisation of loan receivables will be reported by Cassa Centrale Finance S.r.l. in the explanatory notes to its financial statements composed of balance sheet and statement of loss.

Cassa Centrale Finance S.r.l. has not carried out any credit securitisation or trading operations nor has it reported any income. In addition, the CC Intermediate Note Issuer has incurred certain costs for its incorporation, which have been capitalized as deferred organisation costs, and other costs represented by taxes on legalisation of corporate books, other services and commissions which have been recorded as other management expenses in the statement of loss for the period from the date of its formation, on 10 February 2006 to April 30th, 2006.

2.8 Inspection of documents

Copies of the following documents may be inspected (and, in the case of the documents listed in (a) below, may be obtained) during usual business hours at the Representative of the Noteholders at any time after the Intermediate Note Issue Date:

- (a) the *Statuto* and *Atto Costitutivo* of the CC Intermediate Note Issuer;
- (b) the CC Transfer Agreements;
- (c) the CC Warranty and Indemnity Agreement;
- (d) the CC Cash Administration and Agency Agreement;
- (e) the CC Liquidity Agreement;
- (f) the CC Subscription Agreement;
- (g) the CC Class C Subscription Agreement;
- (h) the CC Swap Agreement;
- (i) the CC Servicing Agreement;
- (j) the CC Back-up Servicing Agreement;

- (k) the CC Intercreditor Agreement;
- (l) the CC Deed of Pledge;
- (m) the CC Deed of Charge;
- (n) the CC Corporate Services Agreement;
- (o) the CC Stichting Corporate Services Agreement;
- (p) the CC Quotaholders' Agreement;
- (q) the CC Limited Recourse Loan Agreement;
- (r) Payments Undertaking Agreement;
- (s) balance sheet and all financial information of the CC Intermediate Note Issuer;
- (t) income statement of the CC Intermediate Note Issuer;
- (u) the accounting policies and explanatory notes of the CC Intermediate Note Issuer; and
- (v) audit report of the CC Intermediate Note Issuer.

INFORMATION REGARDING THE ORIGINATORS

1. CO-OPERATIVE CREDIT SYSTEM

1.1 The origin of the co-operative credit system

"Co-operative Credit" (*credito cooperativo*) was invented in Germany by Friedrich Wilhelm Raiffeisen towards the second half of the nineteenth century. Italy immediately followed suit and by the end of the century about 1,000 Rural Banks for Co-operative Credit (*Casse Rurali*) had already been established throughout the whole country. The incorporation of the "Italian Federation of Rural Banks for Co-operative Credit" (*Federazione Italiana delle Casse Rurali*) (1905), which pooled them together, can be considered the turning point for the growth of local Co-operative Credit, which reached its peak with the establishment of the "Local Federations" (*Federazioni Locali*). The aim of the "Rural Banks for Co-operative Credit" was not only to grant credit to local farmers, storeowners and small craftsmen but also to improve shareholders' financial, professional, moral and intellectual conditions. Given the deep impact the Rural Banks for Co-operative Credit had on local businesses, their social role became clear during the post-war period when their support turned out to be vital for the birth and development of small and medium sized enterprises.

1.2 The shareholders

The special characteristic of the BCC juridical form is the importance of its shareholders. In the beginning a BCC shareholder had to be a member of a defined profession (i.e. farmer, small entrepreneur or craftsman). Nowadays the main prerequisite to become a BCC shareholder is to live or to do business within the BCC's geographical operating region, thus expanding and facilitating access to BCC membership. In fact the Consolidated Banking Act provides that shareholders cannot number less than 200 and must represent at least 50% of the BCC's customers. Two other provisions establish that each shareholder shall have one vote, whatever the number of shares owned and that the nominal value of the shares held by each shareholder shall not exceed Euro 50,000.

1.3 The BCCs

The main features of a BCC are as follows:

- (i) they are local banks supporting families and businesses inside a defined area;
- (ii) they are mutual-purpose, non profit-oriented banks which are supposed to use part of their net income for charitable purposes;
- (iii) they are part of the "Co-operative Credit System" and can offer their customers a wide range of financial products and services as economics of scale.

As at 31st March 2005, the Co-operative Credit System, which includes 440 banks and 3,499 branches, involves a high number of human resources as shown in the following data:

- (i) 744,000 shareholders;
- (ii) 6,000 managers;
- (iii) 4,000,000 customers;
- (iv) 28,900 employees.

The BCCs' network covers 4,000 towns (60% of the Italian Banking system). As of 31st March 2005, the BCCs recorded the following:

- (i) total deposits of EURO 97.9 billion;
- (ii) total lending of EURO 78.8 billion;
- (iii) shareholders' equity of EURO 13.0 billion.

1.4 The Federations

The Co-operative Credit System includes BCCs, Local Federations, the National Federation (*Federkasse*), Casse Centrali di Trento e Bolzano, ICCREA Holding and involves other "product companies" such as ICCREA Banca, Banca Agrileasing, Aureogestioni, etc.

The BCCs remain independent within the Federations, while benefiting from the co-ordination and co-operation of the Co-operative Credit System.

The Federations are divided into nine regional federations (Lombardy, Veneto, Friuli-Venezia Giulia, Emilia Romagna, Tuscany, Marches, Campania, Calabria and Sicily), four inter-regional federations (Piedmont-Valle d' Aosta-Liguria, Latium-Umbria-Sardinia, Abruzzo-Molise, Puglia and Basilicata) and two provincial federations (Trento and Bolzano).

The two main roles of the Federations are to co-ordinate and to promote BCC products as well as to provide technical assistance and advice. The Local Federations have instituted external IT Centres whose network covers all the Italian geographical regions.

1.5 ICCREA Holding

The Co-operative Credit System is led by the ICCREA Group which is 98.20% owned by ICCREA Holding.

The ICCREA Group is organised into three Business Divisions:

- (i) retail customers (credit cards, mortgage and consumer loans, asset management and private banking);
- (ii) Small and medium sized companies (corporate banking, leasing and factoring, cash management and advisory services); and
- (iii) Investment services (merchant banking and brokerage).

The ICCREA Group includes:

- (i) ICCREA Banca (Banking).
- (ii) Banca Agrileasing (Leasing).
- (iii) Aureo Gestioni (Asset Management).
- (iv) Simcasse (Finance).
- (v) Assimoco (Insurance).
- (vi) BCC Gestione Crediti.

The following table shows the current distribution of the equity in ICCREA Holding:

Entity	Number	Shares	Percentage %
Banche di Credito Cooperativo	445	7,945,222	90.09
Casse Centrali di Trento e Bolzano	2	632,781	7.2
Federcasse and Fondo Sviluppo	3	115,132	1.3
Federazioni and Fondo Comune	15	92,586	1.05
Other financial institutions	12	13,122	0.15
ICCREA Holding (own shares)	1	20,000	0.22
Total	478	8,818,843	100

1.6 Operational performance of the ICCREA Group

The consolidated financial statements summarize the operating results of the Iccrea Banking Group during the 2004 accounting period.

The structure of the Group as of 31 December 2004 was as follows:

Parent company:	- Iccrea Holding S.p.A.
Subsidiary companies:	- Aureo Gestioni SGRpA - Banca Agrileasing S.p.A. - BCC Capital S.p.A. - BCC Gestioni Crediti S.p.A. - BCC Securis S.r.l. - BCC Servizi Innovativi S.r.l. - BCC Vita S.p.A. - BCC Web S.p.A. - Credico Finance S.r.l. - Iccrea Banca S.p.A. - Immicra S.r.l. - BCC Gestioni Immobiliari S.p.A. - Nolè S.p.A.* - TKLeasing & Factoring S.p.A.* - Simcasse S.p.A. (in liquidation)
Associated Companies:	- SeF Consulting S.p.A.
Main companies in which investments are held:	- Banca Sviluppo S.p.A. - Beni Stabili Gestioni SGRpA

2. ICCREA BANCA S.P.A.

ICCREA Banca S.p.A. – Istituto Centrale del Credito Cooperativo (Credit Co-operative Central Bank), a company directed and co-ordinated (*soggetta all'attività di direzione e coordinamento*) by Iccrea Holding S.p.A., is a bank operating in the form of a joint stock company (società per azioni) with registered office at via Lucrezia Romana 41-47, 00178, Rome, Italy, registered at No. 5251 in the

register of banks held by the Bank of Italy pursuant to article 13 of the Banking Act. Its share capital is Euro 216,913,200 fully paid in.

ICCREA Banca S.p.A. is at the heart of the Italian co-operative banking system, acting as the network's central bank at the national level. Its primary role is to provide clearing and payment services, liquidity management, brokerage and any other kind of financial services for the benefit of its member banks.

ICCREA Banca S.p.A. was incorporated on 30 November, 1963, as Istituto di Credito delle Casse Rurali ed Artigiane S.p.A., by the representatives of around 190 *banche di credito cooperativo* (the *banche di credito cooperativo* or co-operative banks are hereinafter referred to as the "BCCs" and each a "BCC"). As of 31 December, 2003, its share capital was held by Iccrea Holding S.p.A. (99.179%), Cassa Centrale delle Casse Trentine (0.819%) and by the Federazione Lombarda (0.002%).

According to its current corporate purpose (*oggetto sociale*), ICCREA Banca S.p.A. "renders the activities of the credit co-operative banks more complete, intense and effective, supporting and helping them to expand their operations through the supply of credit, banking services and financial aid in all its forms.". Therefore, it performs a range of activities on behalf of the BCCs.

It trades directly in all financial instruments (equities, bonds and derivatives) on the Milan Stock Exchange and OTC. It is a primary dealer in the wholesale market for government bonds and has sole responsibility for market trading within the ICCREA Group (as defined below).

ICCREA Banca S.p.A. has several branches throughout the country (Milano, Padova, Bologna, Firenze, Salerno and Palermo), the role of which is to provide assistance to, and promote its products and services among, the BCCs that operate in those areas.

2.1 Internal Structure

ICCREA Banca S.p.A. had 739 employees as of 31 December, 2004.

CONSIGLIO DI AMMINISTRAZIONE:

Presidente (*)	Vito Lorenzo Augusto dell'ERBA
Vice Presidente Vicario (*)	Annibale COLOMBO
Vice Presidente (*)	Francesco CARRI
Consigliere	Gianfranco BONACINA
Consigliere (*)	Pierino BUDA
Consigliere (*)	Bruno FIORELLI
Consigliere	Fausto GAETANI
Consigliere	Gianpiero MICHIELIN
Consigliere	Nicola PALDINO
Consigliere	Lino PIACENTINI
Consigliere	Salvatore SAPORITO

(*) member of the Executive Committee

2.2 Financial Highlights

BALANCE SHEET/P&L

BALANCE SHEET DATA (millions of euros)

Aggregates	2004
<hr/>	
<u>Assets</u>	
Loans to banks	5,042.0
Loans to customers	698.8
Securities	683.6
Equities	86.2
Total interest-bearing assets	6,510.6
Other assets	377.5
Total assets	6,888.1
<hr/>	
<u>Liabilities</u>	
Due to banks	5,395.1
Due to customers	446.9
Debt securities in issue	408.1
Total interest - bearing liabilities	6,250.0
Other liabilities	327.2
Shareholders' equity	299.8
Net income	11.0
Total liabilities	6,888.1
<hr/>	

3. CASSA CENTRALE DELLE CASSE RURALI TRENTINE – BCC NORD EST

Cassa Centrale delle Casse Rurali Trentine – BCC Nord Est ("Cassa Centrale"), is a bank operating in the form of a joint stock company (S.p.A.) with registered office at via Segantini 5, 38100 Trento, Italy, registered at No. 4813.2 in the register of banks held by the Bank of Italy pursuant to article 13 of the Banking Act. Its share capital is €140.400.000 fully paid in.

Cassa Centrale, was established in 1898 by a churchman, Don Lorenzo Guetti, under the name of "Banco di S.Vigilio" (S.Vigilio is the patron saint of Trento).

The main purpose of the Cassa Centrale was primarily to co-ordinate the different policies of the individual Casse Rurali, to invest properly excess of available funds and to lend money to the Casse Rurali in case of need.

All the 136 Casse Rurali existing at that time were founder-members and holders of the entire nominal capital of the newly established "Banco di S.Vigilio".

(Nowadays, because of several mergers over time, the number of Casse Rurali in Trento is reduced to 49).

The present "Cassa Centrale" dates back at 1974 when, through various successive steps, it extended its operations to neighbouring regions Veneto and Friuli Venezia Giulia, assuming since 2002 the new

complete "brand" of Cassa Centrale delle Casse Rurali Trentine e delle Banche di Credito Cooperativo del Nord Est Spa.

As of 31 December, 2005, its share capital was held by 49 Casse Rurali Trentine (88%), 39 BCC in Veneto and Friuli Venezia Giulia (4%), Provincia Autonoma of Trento (5%) Second Degree Consortia (3%).

According to its current corporate purpose (*oggetto sociale*), Cassa Centrale “accompanies and stimulates the growth of the local economy constantly providing the co-operative movement with the necessary liquidity, services, financial and technical assistance (know-how), advice and professional training, performing a range of activities on behalf of the BCCs”.

"Subsidiarity" is the basic principle upon which the entire activity of Cassa Centrale is based; it means that each individual "Cassa Rurale" or BCC manages all banking transactions autonomously, and Cassa Centrale steps in only when the Cassa Rurale or BCC is not in a position to operate.

It thence appears clearly that the main mission of Cassa Centrale is to support the operations of its shareholders, by supplying prompt and modern services, in order to let them easily face the strong competition of the other banks.

Cassa Centrale trades directly in all financial instruments (equities, bonds and derivatives) on the Milan Stock Exchange and OTC.

Since 2004, Cassa Centrale has been awarded "Den Norske Veritas" quality certificate ISO 9001:2000 for: design, provision and assistance for services related to payment systems, the international division and treasury services for public authorities.

3.1 Internal Structure

Cassa Centrale had 156 employees as of 31 December, 2005.

The members of the board of Cassa Centrale:

Franco Senesi	Chairman
Marco Modena	Deputy Chairman
Giuseppe Graffi Brunoro	Deputy Chairman
Amedeo Piva	Deputy Chairman
Livio Armelao	Director
Luigi Baldo	Director
Ilvio Bazzoli	Director
Angelino Cattarossi	Director
Luigi Cristoforetti	Director
Girolamo Da Dalto	Director
Diego Eccher	Director
Giorgio Fracalossi	Director
Ennio Magnani	Director
Paolo Marega	Director
Giorgio Melchiori	Director
Adriano Orsi	Director
Sandro Pancher	Director
Gianfranco Redolf	Director

The board of statutory auditors of Cassa Centrale:

Antonio Maffei
 Luciano Braito
 Marco Dell'Eva
 Giovanni Nicolussi
 Maurizio Setti

Chairman
 Auditor
 Auditor
 Alternate Auditor
 Alternate Auditor

3.2 Financial Highlights

Balance Sheet (amounts in Euro)	2003	2004	2005
<i>Assets</i>			
Cash	12,413,947	7,959,998	4,734,936
Due from banks	777,890,595	738,013,102	681,196,729
Loans	273,090,866	334,617,366	458,837,879
Bond and other securities	250,701,930	293,389,206	254,608,963
Total Assets	1,493,511,332	1,551,938,443	1,538,927,566
<i>Liabilities</i>			
Due to banks	970,177,866	939,316,513	944,939,070
Securities issued	276,873,492	336,907,616	322,885,360
Shareholders funds	172,226,807	173,370,512	173,779,077
Total Liabilities	1,493,511,332	1,551,938,443	1,538,927,566
Profit and Loss Account (amounts in Euro)			
	2003	2004	2005
Interest margin	8,104,237	8,253,785	9,345,142
Financial margin	26,968,575	28,986,360	32,717,178
Administrative costs	17,907,018	18,660,782	20,401,829
Extraordinary income	-36,208	282,614	905,579
Net income for the year	3657164	4,102,970	6,440,866

Financial Ratios (%)			
Loans/total assets	18,28	21,56	29,81
Loan growth	16,23	22,52	37,12
Asset growth	-5,52	3,91	-0,83
ROE	2,12	2,36	3,70

COLLECTION POLICY AND RECOVERY PROCEDURES

1. CREDIT POLICY

Although each CC Originator and CF Originator has its own characteristics and procedures for the administration of its banking activity, it is possible to give a general overview of the credit policy - origination and risk management - based on the factors common to the forty-three Originators.

The common credit policy concerning the origination of the loans can be divided into:

- (i) a general preliminary phase;
- (ii) a specific origination phase;
- (iii) an administrative phase; and
- (iv) a decisional phase.

The preliminary phase includes all the activities necessary to learn and understand the customers' needs. This activity of origination is carried out, with different procedures, by each Originator.

The credit process is made up of different stages, some of which are common to all types of loans, whilst others are specific according to the type of loan.

The origination of the loans is carried out in constant contact with the customer. An initial interview with the customer is carried out to identify the customer's particular financial needs and to offer the best financial product (type of loan, amount, maturity, form). Once an agreement is reached with the customer on a specific product, the customer fills in an application form generally at the branch and then is required to submit all the documents necessary for the loan.

During the evaluation process of the loan request several inquiries are carried out such as:

- (i) analysis of the banking relationship with the customer;
- (ii) analysis of the customer's assets and its financial situation;
- (iii) analysis of the business sector in which the customer operates;
- (iv) analysis of the guarantees given by the customer and analyses if they are appropriate for the loan required;
- (v) if considered necessary, the analysis may be extended to the family of the customer.

The evaluation is made to verify the customer's earning capacity, financial stability and financial ability to repay the loan in order to decide whether the customer is creditworthy.

Other interviews with the customer will follow during the origination phase, leading to the registration of the customer's data on the Originator's database, the opening of current accounts in his/her name and the acquisition of the customer's signature on the application form.

The lending activity is assigned to the risk management committee, as each Originator's branch has limited decisional powers. The lending decision is ultimately based on the analysis of the customer's credit worthiness.

All customers are obliged to take out a fire insurance policy over the real estate assets. The customer has the possibility to enter into a life insurance policy which insures the repayment of the loan in case of death.

All the Originators implement a subdivision of responsibility between the department in charge of the credit origination and proposal (the branches) and the bodies that authorise the financing (head office). The centralisation of lending decisions is intended to build up uniform assessment and evaluation methods.

2. RISK MANAGEMENT

With regards to the risk management policy, the paragraphs concerning the characteristics of the forty-three Originators provide an overview of the different credit policies. The following is a general overview of the common structures and procedures of the banks.

In every Originator there are two levels of control which can be recognised: primary or ordinary controls and higher or extraordinary controls.

The responsibility of the different levels of control is strictly separate, as the primary controls are carried out by the organisational structures known as "in-line offices" (branches, credit department, *etc.*) while the extraordinary controls are carried out by central structures known as "staff offices" (legal department, risk controller, risk management committee, *etc.*).

All the risk management activities are fully supported electronically and fully automatic through EDP systems. EDP transmissions with codified information between branches and their respective head-office are continuous and telephone contact is ensured.

All the Originators base their activity on a regular system of written reports, thus providing immediate communication to the management on the relevance of all problem loans.

The Originators issue a series of verbal and written reminders before involving their respective legal departments. The first contact after the first overdue instalment is generally made by the branch in a personal, courteous way. If no positive answer is received from the customer and according to the importance of the risk position, a second reminder is made either by the branch or by the head office. A last reminder is generally sent by the head office before the full involvement of the legal department.

For the monitoring the loans the Originators take into consideration both subjective elements (professional valuers' valuations of the customer's assets and of the property guaranteeing the loan; direct knowledge) and objective elements (balance sheet analysis, analysis of the banking relationship, payment anomalies)

In particular, problem loans with payment anomalies are kept under stricter monitoring and are classified on the basis of the following criteria:

- (i) "Watch List": when there are serious anomalies but it is assumed that the relevant relationship will go back to regularity and there is no need of special activity;
- (ii) "Delinquent": a loan extended to a customer who is experiencing temporary financial difficulties and which it is foreseen it will overcome within a certain period of time, with no need of going through a credit recovery proceeding but subject to close scrutiny;
- (iii) "Non-performing": when the customer is a state of insolvency, even if not ascertained, for which a legal proceeding has been commenced or is in severe financial distress

The board of directors or eventually the general management, decides whether the loan should be registered either as a delinquent or as a defaulted loan.

3. CREDIT RECOVERY POLICY

The credit recovery activities of all Originator's are assigned to an external legal counsel which remains in constant contact with the bank's legal department or the relevant department. Both the external counsel and the legal department are directly involved in any legal action. The departments involved submit periodic reports to the general management and/or the board of directors on the status of credit recovery activities.

The close working relationship between the branches and the external advisors results in promptness and persistence in following up on this activity.

USE OF PROCEEDS

The net proceeds from the issue of the Investor Notes, being Euro 1,038,450,000 of which Euro 996,050,000 relates to the Class A Investor Notes and Euro 42,400,000 relates to the Class B Investor Notes will be applied by the Investor Note Issuer on the Investor Note Issue Date to finance the purchase price of the Intermediate Notes.

DESCRIPTION OF THE TRANSACTION DOCUMENTS

The description of the Transaction Documents set out below is a summary of certain features of the Transaction Documents and is qualified in its entirety by reference to the detailed provisions of the Transaction Documents. Prospective Noteholders may inspect a copy of the Transaction Documents upon request at the registered offices of the Investor Note Trustee and the Luxembourg Paying Agent. Capitalised terms used in the description below, to the extent not defined in this Offering Circular, shall have the meanings ascribed to them in the Transaction Documents.

1. DESCRIPTION OF THE INTERMEDIATE NOTE TRANSFER AGREEMENTS

Pursuant to forty-three Intermediate Note Transfer Agreements each of the relevant Originators sold to CC and CF, as the case may be, for consideration without recourse (*pro soluto*) and as a pool (*in blocco*) a portfolio of monetary claims (each a "**Portfolio**") and connected rights arising out of the relevant mortgage loans (the "**Claims**" and "**Mortgage Loans**" respectively) granted by the CC Originators and CF Originators to their customers (the "**Borrowers**") with economic effect as of the Effective Date.

1.1 The Purchase Price

As consideration for the acquisition of the Claims pursuant to the Intermediate Note Transfer Agreements, the CC Intermediate Note Issuer has undertaken to pay a total purchase price and the CF Intermediate Note Issuer has undertaken to pay a total purchase price (each a "**Purchase Price**") calculated as the aggregate of the Outstanding Principal of all the relevant Claims at the Effective Date.

1.2 The Claims

Pursuant to the relevant Intermediate Note Transfer Agreement each of the CC Originators and the CF Originators has represented and warranted that the Claims have been selected on the basis of general criteria (the "**General Criteria**") and further specific objective criteria as set out for each Originator (the "**Specific Criteria**") in order to ensure that the Claims have the same legal and financial characteristics. See "*The Portfolio*".

1.3 Price Adjustment

The Intermediate Note Transfer Agreements provide that if, after the Transfer Date, it transpires that (i) any Claims do not meet the Specific and General Criteria, then such Claims will be deemed not to have been assigned and transferred to the Intermediate Note Issuers pursuant to the Intermediate Note Transfer Agreements and (ii) any Claim which meets the Specific and General Criteria has not been included in the list of Claims, then such Claim shall be deemed to have been assigned and transferred to the Intermediate Note Issuers by the relevant CC Originators or CF Originators pursuant to the relevant Intermediate Note Transfer Agreement. The Purchase Prices shall be adjusted to take into account the additional payment or the reimbursement to be made for any such Claim, as the case may be.

1.4 Applicable Law

The Intermediate Note Transfer Agreements are in Italian and are governed by, and will be construed in accordance with, Italian Law.

2. DESCRIPTION OF THE INTERMEDIATE WARRANTY AND INDEMNITY AGREEMENTS

Under two Intermediate Note Warranty and Indemnity Agreements, the Originators gave certain representations and warranties as to, *inter alia*, the Claims they transferred pursuant to the relevant Intermediate Note Transfer Agreement and the respective Mortgage Loans, their full title over such Claims, their corporate existence and operations and their collection and recovery policy. Moreover the CC Originators and CF Originators have agreed to indemnify and hold harmless the Intermediate Note Issuers from and against all damages, losses, claims, liabilities and costs awarded against or suffered or incurred by it or otherwise arising to it by reason of any misrepresentation of the CC Originators and the CF Originators in the Intermediate Note Warranty and Indemnity Agreements or any default of the CC Originators and the CF Originators under the Intermediate Note Warranty and Indemnity Agreements and/or the relevant Intermediate Note Transfer Agreement and/or the Intermediate Note Servicing Agreement.

2.1 Representations and Warranties of the CC Originators and the CF Originators

Under the Intermediate Note Warranty and Indemnity Agreements, each of the CC Originators and the CF Originators represented and warranted with respect to itself and the Claims it sold to relevant Intermediate Note Issuer under the applicable Intermediate Note Transfer Agreement, relevant Mortgage Loans and the accompanying Mortgages securing them, as to, *inter alia*, the following matters:

General:

- (i) it is a co-operative credit bank (banca di credito cooperativo) duly incorporated as a società a responsabilità limitata and validly existing under the laws of the Republic of Italy;
- (ii) it has full corporate power and authority to enter into and perform the obligations undertaken by it under the relevant Intermediate Note Warranty and Indemnity Agreement, the relevant Intermediate Note Transfer Agreement, the relevant Intermediate Note Servicing Agreement and the other Intermediate Note Transaction Documents and it has taken all necessary actions whatsoever required to authorise its entry into, delivery and performance of the Intermediate Note Warranty and Indemnity Agreements, the relevant Intermediate Note Transfer Agreement, the Intermediate Note Servicing Agreement and the other Intermediate Note Transaction Documents and the terms thereof, including, without limitation, the sale and assignment of the Claims;
- (iii) the execution, delivery and performance by it of the relevant Intermediate Note Warranty and Indemnity Agreement, the relevant Intermediate Note Transfer Agreement, the relevant Intermediate Note Servicing Agreement and the other Intermediate Note Transaction Documents and all other instruments and documents to be delivered pursuant thereto and all transactions contemplated thereby do not contravene or result in a default under, (i) its corporate constitutional documents, (ii) any law, rule or regulation applicable to it, (iii) any contractual restriction contained in any agreement or other instrument binding on it or affecting it or its property or (iv) any order, writ, judgment, award, injunction or decree binding on or affecting it or its property, and do not and will not result in the creation of any adverse claim;
- (iv) provisions of the relevant Intermediate Note Warranty and Indemnity Agreement are legal, valid and binding and are enforceable against it in accordance with its terms; and its payment obligations under the relevant Intermediate Note Warranty and Indemnity Agreement constitute claims against it which rank at least *pari passu* with the claims of all other unsecured creditors under the laws of the Republic of Italy apart from any preferential creditors under any applicable insolvency laws or similar legislation;

- (v) there is no litigation, current, pending or threatened against it, nor has any action or administrative proceeding of or before any court or agency been started or threatened against it, which might or could materially affect its ability to observe and perform its obligations under the relevant Intermediate Note Warranty and Indemnity Agreement and the other relevant Intermediate Note Transaction Documents to which it is a party;
- (vi) it is solvent and there is no fact or matter which might render it insolvent or subject to any insolvency proceedings, nor will it be rendered insolvent as a consequence of entering into the relevant Intermediate Note Warranty and Indemnity Agreement or the other Intermediate Note Transaction Documents to which it is a party or of performing any of the obligations herein or therein contained;
- (vii) since 31 December 2005, being the date of its most recent published full audited accounts, there has been no material adverse change in its financial or operative condition which would adversely affect its ability to observe and perform its obligations under the relevant Intermediate Note Warranty and Indemnity Agreement and the other Intermediate Note Transaction Documents to which it is a party;
- (viii) the information relating to itself (including, without limitation, information with respect to its mortgage loan business), the Claims and the Mortgage Loans supplied to the Intermediate Note Issuers is true and correct in all material respects.

The Claims and the Mortgage Loans:

- (i) it holds sole and unencumbered legal title to the Claims, the Mortgage Loans and the Mortgages; it has not assigned (whether absolutely or by way of security), mortgaged, charged, transferred, disposed or dealt with or otherwise created or allowed to arise or subsist an adverse claim in respect of their title and interest in and to and the benefit of the Claims, the Mortgage Loans and the Mortgages;
- (ii) the Claims, the Mortgage Loans and the Mortgages are governed by Italian law and are legal, valid, binding and enforceable under the same and in particular the Mortgage Loans comply with all rules and regulations on (a) compounding of interests, (b) consumer protection, (c) the prevention of usury, and (d) data protection and privacy protection;
- (iii) the Mortgage Loans have been executed as a public deed (atto pubblico) before a notary public (notaio);
- (iv) each Mortgage Loan has been fully disbursed to or to the account of the relevant Borrower and there is no obligation on its part to advance or disburse further amounts in connection therewith;
- (v) the sale of the Claims to the Issuer pursuant to the relevant Intermediate Note Transfer Agreement will not affect the obligation of the related Borrower under the relevant Mortgage Loans;
- (vi) the Claims have been selected by it on the basis of the General Criteria and the Specific Criteria so as to constitute portfolios of homogeneous rights within the meaning and for the purposes of Law 130;
- (vii) all consents, licenses, approvals or authorisations of or registrations or declarations with any governmental or other public authority required to be obtained, effected or provided for the validity and enforceability of the Claims, the Mortgage Loans and/or the Mortgages have been duly obtained, effected or provided and are in full force and effect; and all costs, expenses and taxes required to be paid in connection with the execution of the Mortgage

Loans or for the validity and enforceability of the Claims, the Mortgage Loans and/or the Mortgages have been duly paid;

- (viii) the insurance policies in relation to the Claims are valid and effective and are held for the benefit of the relevant CC Originator and the CF Originator;
- (ix) it has maintained complete, proper and up-to-date books, records and documents for the Claims, the Mortgage Loans and the Mortgages and all other amounts paid thereunder, and all such books and documents are kept in its possession or are held to its order;
- (x) the Real Estate Assets are located in Italy;
- (xi) each of the Real Estate Assets complies with applicable laws, rules and regulations concerning health and safety and environmental protection;
- (xii) each of the Real Estate Assets is free from damage and waste, in good condition and there are no proceedings, actual or threatened, in relation thereto;
- (xiii) each of the Real Estate Assets (i) is duly registered with the competent land registries (Nuovo Catasto Edilizio Urbano, Nuovo Catasto Terreni, Ufficio del Registro and Ufficio delle Entrate), (ii) complies with all applicable Italian laws as to its use as residential or commercial property (destinazione d'uso), (iii) meets the legal requirements for habitation (agibilità), (iv) is marketable (non soggetto a vizio di incommerciabilità), and (v) complies with all applicable planning and building laws and regulations.

2.2 Undertakings of the Originators

Under the relevant Intermediate Note Warranty and Indemnity Agreement, each CC Originator and CF Originator has undertaken, with respect to itself, the relevant Claims and the respective Mortgage Loans and the Mortgages securing them, *inter alia*, as follows:

- (i) without prejudice to the non-recourse nature (natura pro soluto) of the assignment effected pursuant to the relevant Intermediate Note Transfer Agreement, to refrain from carrying out or purporting to carry out any activity with respect to the Claims which may adversely affect them, and in particular: before the date of publication of the applicable notice of assignment of the Claims in the Official Gazette and registration of the assignment of the Claims in Companies' Register; (i) not to assign and/or transfer, the whole or any part of, any of the Claims to any third party; and (ii) not to create or allow to be created or to arise or to allow to exist any security interest, lien, pledge, privilege or encumbrance or other right in favour of third parties in respect of the Claims, or any part thereof;
- (ii) not to execute any agreement, deed or document or enter into any arrangement purporting to assign, or otherwise dispose of, any of the Mortgage Loans or to create or allow to be created or allow to arise or exist any security interest, lien, pledge, privilege or encumbrance or other right in favour of third parties in respect of the Mortgage Loans;
- (iii) not to instruct any Borrower or guarantor to make any payment with respect to any of the Claims otherwise than as provided for in the Mortgage Loans or as instructed in writing by itself as Intermediate Note Servicer of such Claims;
- (iv) otherwise than in its capacity as CC Servicer or CF Servicer, as the case may be, in accordance with the relevant provisions of the Intermediate Note Servicing Agreements, not to take any action likely to cause or permit any of the Claims to become invalid or diminish their respective rights;

- (v) to co-operate with the Intermediate Note Issuer to perform any and all acts, carry out any and all actions, and execute any and all documents as the Intermediate Note Issuer may reasonably deem necessary in connection with the relevant Intermediate Note Warranty and Indemnity Agreement, the relevant Intermediate Note Transfer Agreement, the Intermediate Note Servicing Agreement and the other Intermediate Note Transaction Documents;
- (vi) to comply fully and in a timely manner with and observe any and all provisions, covenants and other terms to be complied with, insofar as necessary in order to preserve the rights, claims, powers and benefits of the Intermediate Note Issuer as purchaser of the Claims;
- (vii) to assist and fully co-operate with the Intermediate Note Issuer in any due diligence relating to the Claims which the Intermediate Note Issuer may wish to carry out after the date of the Intermediate Note Warranty and Indemnity Agreement;
- (viii) to maintain in good status and order, accurate, complete and up-to-date accounts, books, records and documents relating to the Claims, the Mortgage Loans and the Mortgages;
- (ix) to comply with all applicable laws and regulations (including all rules, orders and instruments) with respect to the Claims, the Mortgage Loans, the Mortgages and their administration and management;
- (x) to grant access to the Intermediate Note Issuer, its agents and nominees to its premises for purposes of examining records, documents and data in relation to the Claims, to copy them and to discuss any issues concerning the Claims with its accountants and other appointed personnel;
- (xi) to pay all costs, fees and taxes due promptly in relation to the execution, filing, registration, etc., of the Intermediate Note Warranty and Indemnity Agreement, the relevant Intermediate Note Transfer Agreement, the relevant Intermediate Note Servicing Agreement and the other Intermediate Note Transaction Documents;
- (xii) save as provided for in the relevant Intermediate Note Servicing Agreement, not to agree to any amendment of or waiver to any terms and conditions of the Mortgage Loans and/or the Mortgages which might adversely affect the timely recovery of the Claims, the ability of the Intermediate Note Issuer to enforce its rights, claims, powers and benefits against the Borrowers and/or the guarantors or the validity of the relevant Intermediate Note Warranty and Indemnity Agreement and not to commence any action for the recovery of the Claims;
- (xiii) to assist and support the Intermediate Note Issuer or its nominee in the development of adequate data reporting systems concerning the Claims by transferring to the Intermediate Note Issuer books, records and documents which may be useful or relevant for implementing a data reporting system which would allow the Intermediate Note Issuer to achieve full compliance with all applicable laws and regulatory reporting regulations and requirements.

2.3 Indemnity

Under the relevant Intermediate Note Warranty and Indemnity Agreement, each of the CC Originators and the CF Originators agreed to indemnify the relevant Intermediate Note Issuer, its representatives and agents from and against any and all damages, losses, claims, liabilities and related costs and expenses, including legal fees and disbursements awarded against or suffered or incurred by it as a consequence of or in relation to:

- (i) the reliance on any representation or warranty made by it to the relevant Intermediate Note Issuer under or in connection with the relevant Intermediate Note Warranty and Indemnity Agreement, the relevant Intermediate Note Transfer Agreement, the relevant Intermediate

Note Servicing Agreement or any other Intermediate Note Transaction Document to which it shall be a party which shall have been false, incorrect or misleading when made or delivered;

- (ii) its failure to comply with any term, provision or covenant contained in the relevant Intermediate Note Warranty and Indemnity Agreement, the relevant Intermediate Note Transfer Agreement, the Intermediate Note Servicing Agreement or any other Intermediate Note Transaction Document to which it shall be a party and its failure to comply with any applicable law, rule or regulation with respect to the Claims, the Mortgage Loans, the Mortgages, the Real Estate Assets and the Insurance Policies;
- (iii) the failure to vest in the relevant Intermediate Note Issuer all rights, title and interest in and the benefit of each Claim pursuant to the terms of the relevant Intermediate Note Transfer Agreement, free and clear of any adverse claim;
- (iv) any dispute, claim or defence (other than discharge in bankruptcy or winding up by reason of insolvency or similar event) of the Borrowers or the guarantors to the payment of any Claim;
- (v) any judicial or out of court set-off of the assigned Borrower in relation to the payment of any Claim arising before or after the execution date of the relevant Intermediate Note Warranty and Indemnity Agreement under the Mortgage Loans or under or pursuant to any contract, deed, document, action, event or circumstance.

2.4 Usury

Under the relevant Intermediate Note Warranty and Indemnity Agreement, each of the CC Originators and CF Originators represented to the relevant Intermediate Note Issuer that the interest rates of the Mortgage Loans comply with the Usury Law and they agreed to indemnify the Intermediate Note Issuer against any damages, losses, claims, liabilities and costs awarded against or suffered or incurred by it or otherwise arising as a consequence or in relation to any claims being brought by the Borrowers or other third parties on the grounds of the Usury Law.

2.5 Applicable Law

The relevant Intermediate Note Warranty and Indemnity Agreements are in Italian and are governed by, and will be construed in accordance with, Italian law.

3. DESCRIPTION OF THE INTERMEDIATE NOTE SERVICING AGREEMENTS AND THE INTERMEDIATE NOTE BACK-UP SERVICING AGREEMENTS

Under the two Intermediate Note Servicing Agreements each of the CC Servicers and the CF Servicers agreed to administer and service the relevant Portfolio on behalf of the relevant Intermediate Note Issuer and in particular to collect amounts due in respect thereof (the "**Administration of the Portfolios**") and to commence and pursue enforcement proceedings and to negotiate and settle the Defaulted Claims (the "**Management of the Defaulted Claims**") and to perform such services with respect to the Portfolio which it has sold to the Intermediate Note Issuer under the relevant Intermediate Note Transfer Agreement.

Pursuant to the Intermediate Note Servicing Agreements, the Intermediate Note Servicers shall adhere to certain collection policies specified in the relevant Intermediate Note Servicing Agreement (each a "**Collection Policy**") in relation to the collection and recovery activities carried out on behalf of the Intermediate Note Issuers and shall provide the relevant Intermediate Note Issuer with monthly and quarterly reports (respectively, the "**Monthly Servicing Report**" and the "**Quarterly Servicing Report**"). The Intermediate Note Servicers shall also ensure that the Collections do not include usurious interest in accordance with the anti-usury laws and regulations applicable from time to time.

The Intermediate Note Servicers shall be entitled to settle and renegotiate the Claims only in accordance with the relevant Intermediate Note Servicing Agreement.

Each of the Intermediate Note Servicers shall give order to pay all collections received by it in respect of the relevant Portfolio (the "**Collections**") into the relevant Transitory Collections and Recoveries Account (as defined in the Intermediate Note Servicing Agreements) on the Business Day immediately following the date of receipt. The Intermediate Note Servicer will convert any non-cash Collections received by it (the "**Recoveries**") into equivalent amounts of cash and will credit such cash to the relevant Transitory Collections and Recoveries Account.

The Intermediate Note Servicer will carry out its obligations under the relevant Intermediate Note Servicing Agreement in accordance with the relevant Collection Policy. This policy may be amended from time to time in accordance with the Intermediate Note Servicing Agreement.

3.1 Information Technology

Each of the Intermediate Note Servicers is authorised to delegate to its Information Technology Services Provider all data processing, information storage and retrieval, back-up and archive services for the Administration of the Portfolio and the Management of the Defaulted Claims with respect to the relevant Portfolio. Each Intermediate Note Servicer will remain directly liable for the performance of all duties and obligations delegated to its Information Technology Services Provider and will be liable for the conduct of such Information Technology Services Provider. All fees, costs and expenses to be paid or reimbursed to the Information Technology Services Provider shall be borne by the Intermediate Note Servicer and the Intermediate Note Issuer shall not be liable for any payment of whatever nature to the Information Technology Services Provider. Each Intermediate Note Servicer may terminate the appointment of the Information Technology Services Provider and appoint a suitable replacement information technology services provider which is an Authorised Company, provided that such replacement will not adversely affect the ratings of the Investor Notes and the service will be granted without interruption because of such replacement.

3.2 Fees and Expenses

As consideration for the services provided by the Intermediate Note Servicer, the relevant Intermediate Note Issuer will pay to each of the Intermediate Note Servicers on each Payment Date (as defined in the Intermediate Note Conditions):

- (a) as compensation for the Administration of the relevant Portfolio for the Collection Period immediately preceding such Payment Date (as defined in the Intermediate Note Conditions), a fee equal to 0.4% on an annual basis of the Outstanding Principal of the Claims as at the Collection Date immediately preceding such Collection Period; and
- (b) as compensation for the Management of the Defaulted Claims, a fee equal to 6% of the aggregate of the Collections and Recoveries in respect of the Defaulted Claims in the Collection Period immediately preceding such Payment Date (as defined in the Intermediate Note Conditions),

((a) and (b) are collectively the "**Servicing Fee**").

Each Intermediate Note Servicer has expressly waived its rights to compensation or reimbursement that may be provided for by law other than the Servicing Fees. It has also expressly waived its right to exercise any right to off-set the amounts due to it from the relevant Intermediate Note Issuer against the Collections and Recoveries or any other amount owed by the Intermediate Note Servicer to the relevant Intermediate Note Issuer, except for those amounts paid to the Intermediate Note Issuer and undue.

3.3 Undertakings of the Intermediate Note Servicers

Each of the Intermediate Note Servicers has undertaken in the relevant Intermediate Note Servicing Agreement, with respect to the Claims of the Portfolio which it has been appointed to service, *inter alia*:

- (a) to carry out the Administration of the relevant Portfolio and the Management of the Defaulted Claims with due skill and care in accordance with the relevant Collection Policy and with all applicable laws and regulations;
- (b) to maintain an effective system of general and accounting controls so as to ensure the performance of its obligations under the relevant Intermediate Note Servicing Agreement;
- (c) save as otherwise provided in the Collection Policy and in the relevant Intermediate Note Servicing Agreement, not to release or consent to the cancellation of all or part of the Claims unless ordered to do so by a competent judicial or other authority or by the Intermediate Note Issuers;
- (d) to ensure adequate identification and segregation of the collections and recoveries and other amounts related to the Claims from all other funds of the relevant Intermediate Note Servicers;
- (e) to comply with all authorisations, approvals, licenses and consents required for the fulfilment of its obligations under the relevant Intermediate Note Servicing Agreement.

Each of the Intermediate Note Servicers has undertaken to monitor the insurance policies covering the risks of fire and explosion of the Real Estate Assets and to act so as to maintain such insurance policies, as valid, effective and binding until the Claim guaranteed by the Real Estate Assets has been fully paid up by the relevant Borrower.

In the case of a material breach by the relevant Intermediate Note Servicers of their obligations under the Intermediate Note Servicing Agreements with respect to the Administration of the Portfolios and/or the Management of the Defaulted Claims, the Intermediate Note Issuers and/or the Representative of the Noteholders shall be entitled, jointly or severally to perform the relevant obligations in the name and on behalf of the Intermediate Note Servicers or to cause it to be performed by third parties in the name and on behalf of the Intermediate Note Servicers.

3.4 Termination of Appointment

The relevant Intermediate Note Issuer may revoke the appointment of any of the relevant Intermediate Note Servicers in certain circumstances including, *inter alia*, (i) the insolvency of any of the relevant Intermediate Note Servicer, (ii) a breach of the relevant Intermediate Note Servicing Agreement which remains unremedied for a period of longer than 10 days after a written demand of compliance sent by the relevant Intermediate Note Issuer and/or the Representative of the Noteholders, and (iii) a failure by such Intermediate Note Servicer to pay or transfer to the relevant Intermediate Note Issuer any amount due which remains unremedied for more than 3 days after the relevant statutory request of payment. In addition, such Intermediate Note Servicer may resign at any time after 2 years from the Transfer Date upon giving 12 months prior written notice, provided that either the relevant Intermediate Note Back-up Servicers is ready for operating or such Intermediate Note Servicer has found a suitable replacement servicer acceptable to the relevant Intermediate Note Issuer and the Representative of the Noteholders on substantially the same terms as those contained in the relevant Intermediate Note Servicing Agreement.

3.5 Applicable Law

The Intermediate Note Servicing Agreement is in Italian and is governed by and will be construed in accordance with Italian law.

3.6 Intermediate Note Back-up Servicing Agreements

Under the Intermediate Note Back-up Servicing Agreements, the Intermediate Note Back-up Servicers have committed themselves, should any of the relevant Intermediate Note Servicers cease to act as servicer of the relevant Portfolio, to service such Portfolio on the same terms as are provided for in the relevant Intermediate Note Servicing Agreement, provided that the Intermediate Note Back-up Servicers shall not act as servicer of the relevant Portfolio if the relevant Intermediate Note Servicers cease to act as such following expiration, or termination due to termination of the relevant Intermediate Note Transfer Agreements, of the Intermediate Note Servicing Agreement.

4. DESCRIPTION OF THE INTERMEDIATE NOTE CASH ADMINISTRATION AND AGENCY AGREEMENT

Under the individual Intermediate Note Cash Administration and Agency Agreements the parties will (as applicable):

- (i) perform certain services in relation to the Intermediate Notes, including arranging for the payment of principal and interest to the Monte Titoli Account Holders;
- (ii) calculate the amount of interest payable on the Intermediate Notes on each Payment Date (as defined in the Intermediate Note Conditions);
- (iii) perform certain other calculations in respect of the Intermediate Notes and set out, in a payment report, the payments due to be made by the relevant Intermediate Note Issuer on each Payment Date (as defined in the Intermediate Note Conditions) in accordance with the applicable order of priority and to prepare investors' reports providing information on the performance of the Portfolios;
- (iv) provide the Intermediate Note Issuer with certain cash administration and investment services, in relation to the monies standing, from time to time, to the credit of the relevant Intermediate Note Accounts.

The payment reports will also be provided to the Investor Note Agent Bank who shall reconcile such reports with the actual amount received by the Investor Note Issuer on the relevant Payment Date and the calculations required to be made by the Investor Note Agent Bank pursuant to the Investor Note Transaction Documents. Any shortfall in the amounts due to be made to the Investor Note Issuer shall be notified by the Investor Note Agent Bank to the relevant Intermediate Note Issuer and the Intermediate Note Computation Agent. Any such shortfall shall be made available to the Investor Note Issuer pursuant to a drawing under the Intermediate Note Liquidity Agreements.

The Intermediate Note Cash Administration and Agency Agreements will be governed by and construed in accordance with Italian law, except for the establishment, maintenance and operation of the Investment Account which is governed by English law.

5. DESCRIPTION OF THE SECURITY AGREEMENTS

A. INVESTOR NOTE TRUST DEED

Pursuant to the Investor Note Trust Deed, the Investor Note Issuer has authorised the issue of the Investor Notes in the international capital markets, to be constituted and secured in the manner set out below.

The Investor Notes will be issued in bearer form. The Investor Notes will initially be represented by the Temporary Global Notes, which will be deposited with the Common Depository for Euroclear and Clearstream, Luxembourg on or about the Investor Note Issue Date. Interests in the Temporary Global Notes will be exchangeable forty days after the Investor Note Issue Date (provided that certification of non-US ownership has been received) for interests in the Permanent Global Notes. Definitive Notes will only be issued in exchange for the Permanent Global Notes in certain limited circumstances.

The Investor Note Trustee has agreed to act as trustee of the Investor Note Trust Deed upon and subject to the terms and conditions of the Investor Note Trust Deed.

The Investor Note Trust Deed will be governed by and construed in accordance with English law, except for Clause 6(A)(i) which will be governed by and construed in accordance with Italian law.

B. INTERMEDIATE NOTE DEEDS OF PLEDGE

Pursuant to the two Intermediate Note Deeds of Pledge, the relevant Intermediate Note Issuer will grant: (i) a pledge over all the monetary contractual claims arising from the relevant Intermediate Note Transaction Documents (excluding the Claims and the rights arising from the relevant Intermediate Note Transfer Agreements, the relevant Intermediate Note Servicing Agreement, the relevant Intermediate Note Back-up Servicing Agreement and the claims for the restitution of the positive balance standing from time to time to the credit of the relevant Intermediate Note Accounts opened pursuant to the relevant Intermediate Note Cash Administration and Agency Agreement; (ii) upon occurrence of a Trigger Event on Intermediate Note, a pledge over the positive balance of the Intermediate Note Accounts (other than the Expenses Accounts, the Quota Capital Account, the Investment Account and the amounts payable to the CC Swap Counterparty and the CF Swap Counterparty as applicable in relation to a Tax Credit and the amounts standing to the credit of the Collateral Account to the extent provided for by the relevant Intermediate Note Deed of Pledge) and (iii) a pledge over the securities under the Intermediate Note Limited Recourse Loan Agreement.

C. INTERMEDIATE NOTE DEEDS OF CHARGE

Under the terms of the CC Deed of Charge, the CC Intermediate Note Issuer shall assign and charge in favour of the Intermediate Note Security Trustee for itself and on trust for the holders of the CC Intermediate Notes and the CC Class C Intermediate Notes and the Other CC Intermediate Note Issuer's Creditors all of the CC Intermediate Note Issuer's rights, title, interest and benefit (present and future) in, to and under the CC Swap Agreement.

Under the terms of the CF Deed of Charge, the CF Intermediate Note Issuer shall assign and charge in favour of the Intermediate Note Security Trustee for itself and on trust for the holders of the CF Intermediate Notes and the CF Class C Intermediate Notes and the Other CF Intermediate Note Issuer's Creditors all of the CF Intermediate Note Issuer's rights, title, interest and benefit (present and future) in, to and under the CF Swap Agreement.

The Intermediate Note Deeds of Charge will be governed by and construed in accordance with English law.

D. INTERMEDIATE NOTE INTERCREDITOR AGREEMENTS

Pursuant to two Intermediate Note Intercreditor Agreements, provisions are made as to the application of the Collections in respect of the Portfolios originated respectively by the CC Originators and the CF Originators and as to how the orders of priority are to be applied. Subject to a Cross Collateral Notice being served on the relevant Intermediate Note Issuer following the occurrence of a Cross Collateral Event, all the Issuer Available Funds will be applied in or towards satisfaction of the relevant Intermediate Note Issuer's payment obligations towards the holders of the Intermediate Notes as well as the Other Issuer Creditors, in accordance with the cross collateral order of priority provided in the relevant Intermediate Note Intercreditor Agreement. Subject to a Trigger Notice being served on the relevant Intermediate Note Issuer following the occurrence of a Trigger Event, all the Issuer Available Funds will be applied in or towards satisfaction of the relevant Intermediate Note Issuer's payment obligations towards the holders of the Intermediate Notes as well as the Other Issuer Creditors, in accordance with the acceleration order of priority provided in the relevant Intermediate Note Intercreditor Agreement.

The Intermediate Note Intercreditor Agreement also determines *inter alia*, the relevant proportions to be allocated as payments due by the Intermediate Note Issuer under the relevant Intermediate Note Swap Agreement out of the Single Portfolio Available Funds in accordance with the Pre-Acceleration Order of Priority (as therein defined).

The relevant Intermediate Note Issuer shall grant to the CC Originators and the CF Originators, respectively, an option right on each Clean Up Option Date to purchase, subject to certain conditions, the respective Portfolio (in whole but not in part) for a purchase price equal to the Outstanding Balance of each Claim comprised in such Portfolio, provided that, if on such date any of the Portfolios comprises any Defaulted Claims, the purchase price shall be determined by an independent third party and, in any case, such purchase price shall be equal to or higher than the amount (as determined in the relevant payments report) necessary for the Intermediate Note Issuer to discharge all its outstanding liabilities in respect of the Intermediate Notes and any amounts required under the relevant Intermediate Note Intercreditor Agreement to be paid in priority to or *pari passu* with the Intermediate Notes.

The Intermediate Note Intercreditor Agreements will be governed by and construed in accordance with Italian law.

5. DESCRIPTION OF THE CORPORATE DOCUMENTS

A. INVESTOR NOTE ISSUER ADMINISTRATION AGREEMENT

Pursuant to the Investor Note Issuer Administration Agreement, the Investor Note Issuer Administrator will provide certain corporate administration, accounting and related services to the Investor Note Issuer.

The Investor Note Issuer Administration Agreement will be governed by and construed in accordance with English law.

B. INTERMEDIATE NOTE CORPORATE SERVICES AGREEMENTS

Under the Intermediate Note Corporate Services Agreements, the Intermediate Note Corporate Services Provider will provide the relevant Intermediate Note Issuer with certain corporate administration and management services. These services will include the book-keeping of the documentation in relation to the meetings of the Intermediate Note Issuer's shareholders, directors and auditors and the meetings of the holders of the relevant Intermediate Notes, maintaining the quotaholders' register, preparing tax and accounting records, preparing documents necessary for the

relevant Intermediate Note Issuer's annual financial statements and liaising with the Representative of the Noteholders.

The Intermediate Note Corporate Services Agreements will be governed by and construed in accordance with Italian law.

C. INTERMEDIATE NOTE STICHTING CORPORATE SERVICES AGREEMENTS

Pursuant to the Intermediate Note Stichting Corporate Services Agreements the Intermediate Note Stichting Corporate Services Provider has agreed to provide certain management, administrative and secretarial services to the relevant quotaholders.

The Intermediate Note Stichting Corporate Services Agreements will be governed by and construed in accordance with Dutch law.

D. INTERMEDIATE NOTE QUOTAHOLDERS' AGREEMENTS

Under the terms of the two Intermediate Note Quotaholders' Agreements certain rules shall be set out in relation to the corporate governance of each Intermediate Note Issuer.

The Intermediate Note Quotaholders' Agreements will be governed by and construed in accordance with Italian law.

E. INTERMEDIATE NOTES SUBSCRIPTION AGREEMENTS

Pursuant to the Intermediate Note Subscription Agreements the Investor Note Issuer shall subscribe for the Intermediate Notes and pay the Intermediate Note Issuers the issue price for the Intermediate Notes on the Intermediate Note Issue Date and will appoint the Representative of the Noteholder to act as the representative of the Investor Note Issuer, subject to the conditions set out therein.

The Intermediate Note Class Subscription Agreements will be governed by and construed in accordance with Italian law.

F. INTERMEDIATE NOTE CLASS C SUBSCRIPTION AGREEMENTS

Pursuant to the Intermediate Class C Notes Subscription Agreements each of the CC Originators and the CF Originators shall pay and subscribe for the relevant CC Class C Intermediate Notes and CF Class C Intermediate Note. Furthermore, each of the CC Originators and CF Originators shall appoint the Representative of the Noteholders to act as the representative of the holders of each CC Class C Intermediate Notes and CF Class C Intermediate Notes, as well as collectively of the holders of the CC Class C Intermediate Notes and CF Class C Intermediate Notes.

The Intermediate Note Class C Notes Subscription Agreements will be governed by and construed in accordance with Italian law.

G. INVESTOR NOTE SUBSCRIPTION AGREEMENT

Pursuant to the Investor Note Subscription Agreement the Lead Manager shall subscribe for the Investor Notes and pay the Investor Note Issuer the Investor Note Issue Price for the Investor Notes on the Investor Note Issue Date. The Placement Agents will assist the Lead Manager in procuring purchasers for the Investor Notes.

The Investor Note Subscription Agreement will be governed by and construed in accordance with English law.

6. DESCRIPTION OF THE OTHER TRANSACTION DOCUMENTS

A. INTERMEDIATE NOTE SWAP AGREEMENTS

In order to hedge the interest rate exposure of the Intermediate Note Issuers in relation to their floating rate obligations under the Intermediate Notes, each Intermediate Note Issuer will enter into 2 swap transactions (each a "**Swap Transaction**" and together the "**Swap Transactions**") with the relevant Intermediate Note Swap Counterparty in each case on or prior to the Intermediate Note Issue Date. Such Swap Transactions will be governed by the Master Agreement and each Swap Transaction will be documented pursuant to a Swap Confirmation.

The Intermediate Note Swap Agreements will be governed by and will be construed in accordance with English law.

B. INTERMEDIATE NOTE LIQUIDITY AGREEMENTS

Under the terms of the Intermediate Note Liquidity Agreements, the Intermediate Note Liquidity Providers shall make available to each CC Intermediate Note Issuer and CF Intermediate Note Issuer revolving liquidity facilities in the aggregate maximum amount of Euro 18,846,000 and 24,600,000, respectively.

Under the terms of each Intermediate Note Liquidity Agreement, each of the CC Originators and the CF Originators as a CC Liquidity Provider and CF Liquidity Provider, respectively, will provide liquidity support with respect to the relevant Portfolio, in the event of a shortfall of the relevant Single Portfolio Available Funds (calculated before an advance is drawn under the relevant Intermediate Note Liquidity Agreement) available on any Payment Date (as defined in the Intermediate Note Conditions) for application in or towards payment of all amounts due to be paid by the each Intermediate Note Issuer on such Payment Date (as defined in the Intermediate Note Conditions) out of such Single Portfolio Available Funds. The Intermediate Note Liquidity Agreements provide liquidity support with respect to the Portfolios in the event of a shortfall of the relevant Single Portfolio Available Funds (calculated before an advance is drawn) available on any Intermediate Note Payment Date for payment of all amounts due to be paid by an Intermediate Note Issuer on such Intermediate Note Payment Date out of such Single Portfolio Available Funds as follows:

- (a) any advance drawn under the Intermediate Note Liquidity Agreements will be included in the Single Portfolio Available Funds in respect of the payments under items One, Two and Four to Ten of the Pre-Acceleration Order of Priority (as defined in the Intermediate Note Conditions); and
- (b) in addition in respect of the payments under items Eleventh, Thirteenth and Fifteenth of the Pre-Acceleration Order of Priority, could be utilised the difference (if positive) between the Advances available after making the payments under letter (a) above, and an amount equal to 1% of the Principal Amount Outstanding of the Senior Notes of the relevant Portfolio as at the day following the immediately preceding Payment Date (as defined in the Intermediate Note Conditions). Provided that the Advances could be fully utilised if by doing so the Senior Notes will be fully redeemed on that Payment Date (as defined in the Intermediate Note Conditions) or on the Intermediate Note Final Maturity Date.

In addition, each Intermediate Note Liquidity Provider might be called upon to provide liquidity support in respect of any of the other Portfolios: (i) in the event of a shortfall in the relevant Single Portfolio Available Funds which exceeds the outstanding maximum commitment amount of the relevant Intermediate Note Liquidity Provider; or (ii) in the event that such Liquidity Provider defaults under its obligations to give liquidity support to the relevant Intermediate Note Issuer.

In the event that any of the Cross Collateral Order of Priority or the Acceleration Order of Priority becomes applicable, the Intermediate Note Liquidity Providers will provide liquidity support with respect to the aggregate of all the Portfolios in the case of a shortfall in the Issuer Available Funds (calculated before any advance is drawn under the relevant Intermediate Note Liquidity Agreement) available on any Payment Date (as defined in the Intermediate Note Conditions) for application in or towards payment of all amounts due to be paid by the Issuer on such Payment Date (as defined in the Intermediate Note Conditions) out of the Issuer Available Funds as follows:

- (a) any advance drawn under the relevant Intermediate Note Liquidity Agreement will be included in the Issuer Available Funds in respect of payments under items *First, Second* and *Fourth* to *Tenth* of the Cross Collateral Order of Priority and under items *First, Second* and *Fifth* to *Eleventh* of the Acceleration Order of Priority (as defined in the Intermediate Note Conditions); and
- (b) in addition, in respect of the payments under items *Eleventh, Twelfth* and *Thirteenth* of the Cross Collateral Order of Priority or under items *Twelfth, Thirteenth* and *Fourteenth* of the Acceleration Order of Priority (as applicable) (as defined in the Intermediate Note Conditions), could be utilised the difference (if positive) between the Advances available after making the payments under letter (a) above, and an amount equal to 1% of the Principal Amount Outstanding of the Intermediate Notes as at the day following the immediately preceding Intermediate Note Payment Date. Provided that the Advances could be fully utilised if by doing so the Intermediate Notes will be fully redeemed on that Payment Date (as defined in the Intermediate Note Conditions) or on the Intermediate Note Final Maturity Date.

Interest on the advances shall accrue at a rate equal to the Three Month EURIBOR (as defined in the Intermediate Note Transaction Documents) plus a margin of 0.10% per annum. The obligation of the relevant Intermediate Note Issuer to pay interest and repay the principal amounts outstanding under the relevant Intermediate Note Liquidity Agreement to each of the relevant Intermediate Note Liquidity Providers will be limited recourse to the relevant Single Portfolio Available Funds or in the event the Cross Collateral Order of Priority or the Acceleration Order of Priority (as defined in the Intermediate Note Conditions) becomes applicable, (together with the obligation to pay interest and repay the principal amounts outstanding under the other Liquidity Agreement to the other Liquidity Providers) to the Issuer Available Funds.

In addition, upon notice being given to the relevant Intermediate Note Issuer and the Intermediate Note Computation Agent from the Investor Note Agent Bank that there is any difference between (i) the amounts to be paid by the Intermediate Note Issuers to the Investor Note Issuer on a Payment Date as costs and interest on the Investor Notes according to the relevant Payment Report and (ii) the actual amount credited on such Payment Date on the relevant accounts of the Investor Note Issuer in respect of such payments, the Intermediate Note Liquidity Agreements will provide liquidity support to meet such difference.

In addition, upon notice being given to the relevant Intermediate Note Issuer and the Intermediate Note Computation Agent from the Investor Note Agent Bank that an Irish Company Liquidity Shortfall Event (as defined in the Intermediate Notes Conditions) has taken place, the Liquidity Agreement (as defined in the Intermediate Notes Conditions) will provide liquidity support to meet the Irish Company Liquidity Shortfall.

The Intermediate Notes Liquidity Agreements will be governed by and construed in accordance with Italian law.

C. INTERMEDIATE NOTE LIMITED RECOURSE LOAN AGREEMENTS

Pursuant to the CF Limited Recourse Loan Agreement, each CF Limited Recourse Loan Provider will grant the CF Intermediate Note Issuer a CF Limited Recourse Loan up to a specified amount by

means of advancing Italian treasury bonds (*Titoli di Stato*, (the "**CF Securities**")) to the CF Intermediate Note Issuer; or only following the awarding by Moody's or S&P's of a rating respectively lower than Aa3 or A-1+ to the Republic of Italy, the CF Eligible Investments purchased with the proceeds arising out of the sale of the CF Securities to the Intermediate Note Issuer. The CF Securities shall not have maturities longer than 5 years. The CF Securities will be credited to the relevant CF Securities Account to be held with the CF Transaction Bank, by each CF Limited Recourse Loan Provider. The CF Transaction Bank shall use the amounts arising out of the final maturities of the CF Securities to purchase other CF Securities, having maturities not longer than 5 years.

Pursuant to the CC Limited Recourse Loan Agreement each CC Limited Recourse Loan Provider will grant the CC Intermediate Note Issuer a CC Limited Recourse Loan up to a specified amount by means of advancing Italian treasury bonds (*Titoli di Stato*, (the "**CC Securities**")) to the CC Intermediate Note Issuer; or only following the awarding by Moody's or S&P's of a rating respectively lower than Aa3 or A-1+ to the Republic of Italy, the CC Eligible Investments purchased with the proceeds arising out of the sale of the CC Securities to the CC Intermediate Note Issuer. The CC Securities shall not have maturities longer than 5 years. The CC Securities will be credited to the relevant CC Securities Account to be held with the CC Transaction Bank, by each CC Limited Recourse Loan Provider. The CC Transaction Bank shall use the amounts arising out of the final maturities of the CC Securities to purchase other CC Securities, having maturities not longer than 5 years.

Should the Republic of Italy, at any time, be awarded by Moody's or S&P's of a rating lower respectively than Aa3 or A-1+, the Intermediate Note Transaction Bank shall be obliged to sell the CC Securities or the CF Securities, as the case may be, and to use the relevant proceeds to purchase the relevant Eligible Investments.

The Intermediate Limited Recourse Loan may be used by the relevant Intermediate Note Issuer as an alternative to the facility granted under the relevant Intermediate Note Liquidity Agreement, where the Issuer Available Funds or the Single Portfolio Available Funds, as applicable, are not sufficient to enable the relevant Intermediate Note Issuer to meet its payment obligations to the holders of the Intermediate Notes and to cover any costs which rank in priority to holders of the Intermediate Notes pursuant to the applicable order of priority. The CC Securities and the CF Securities credited by each relevant Intermediate Note Limited Recourse Loan Provider may be sold and the relevant proceeds used on each Payment Date (as defined in the Intermediate Note Conditions) only in an amount equal to the Advances that should be paid by it in its capacity as Intermediate Note Liquidity Provider on the same Payment Date (as defined in the Intermediate Note Conditions) and provided that: 1) such Intermediate Note Liquidity Provider has not notified in writing its intention to pay the owed Advances, and 2) such Intermediate Note Liquidity Provider has not provided the owed Advances in accordance with the terms and conditions of the Intermediate Note Liquidity Agreement. After an amount of CC Securities and CF Securities being used on a Payment Date (as defined in the Intermediate Note Conditions), the obligation of the relevant Intermediate Note Liquidity Provider to provide Advances under the relevant Intermediate Note Liquidity Agreement shall be extinguished for a corresponding amount.

The yield on the CC Securities or CF Securities collected by the relevant Intermediate Note Issuer during any Collection Period and, subject to the provisions of the relevant Intermediate Note Limited Recourse Loan Agreement and the relevant Intermediate Note Cash Administration and Agency Agreement, the proceeds from the sale made during such Collection Period or redemption thereof will form part of the relevant Single Portfolio Available Funds. The CC Securities and the CF Securities may be sold in accordance with the terms and within the limits set out in the relevant Intermediate Note Limited Recourse Loan Agreement.

The Intermediate Note Limited Recourse Loan Agreements will be governed by and construed in accordance with Italian law.

D. INVESTOR NOTE AGENCY AGREEMENT

Pursuant to the Investor Note Agency Agreement, the Investor Note Agents will provide certain agency and custody services in respect of the Investor Notes. The Investor Note Agency Agreement constitutes the appointments of the Investor Note Agents on respect of the issue of the Investor Notes and sets out the terms and conditions of such appointments.

The Investor Note Agent Bank will reconcile the calculations made pursuant to the Investor Note Agency Agreement with the payment reports received from the Intermediate Note Issuers and notify the relevant Intermediate Note Issuer and the Intermediate Note Computation Agent of any shortfall.

The Investor Note Agency Agreement will be governed by and construed in accordance with English law.

E. INVESTOR NOTE ACCOUNT MANAGEMENT AGREEMENT

Pursuant to the Investor Note Account Management Agreement, the Investor Note Agent Bank will provide certain account management services to the Investor Note Issuer.

The Investor Note Account Management Agreement will be governed by and construed in accordance with English law.

F. PAYMENTS UNDERTAKING AGREEMENT

Pursuant to the Payments Undertaking Agreement, each Intermediate Note Issuer will undertake to pay certain expenses and shortfalls of the Investor Note Issuer.

The Payments Undertaking Agreement will be governed by and construed in accordance with Italian law.

WEIGHTED AVERAGE LIFE OF THE INVESTOR NOTES

Under the Investor Note Conditions, the Investor Note Final Maturity Date is the Payment Date falling in March 2038 and the Investor Notes will be subject to mandatory redemption in full or in part on the Payment Date to the extent that on such Payment Date the Investor Note Issuer has sufficient available funds to be applied for this purpose in accordance with the applicable Application of Proceeds.

The tables below show the expected average life of the Investor Notes on the basis of various assumptions regarding prepayment rates affecting the Intermediate Notes and certain other factors. The assumptions used to calculate the expected average life of the Investor Notes hereunder are based on the historical performance of the loans originated by each of the Originators having the same characteristics as those of the Claims.

The following assumptions have also been made:

- each of the CF Intermediate Note Issuer and the CC Intermediate Note Issuer exercises the clean up call in Condition 6.4 of the Intermediate Notes issued by it on the first occasion it becomes entitled to do so;
- there are no delinquencies or defaults, neither on the Portfolios nor on the Intermediate Notes;
- the Claims are subject to annual constant prepayment rates as shown in the table below, which are applied to each Portfolio in homogenous terms;
- no Event of Default has occurred in respect of the Investor Note Issuer, the CF Intermediate Note Issuer or the CC Intermediate Note Issuer; and
- no redemption for taxation reasons has occurred in respect of the Investor Note Issuer, the CF Intermediate Note Issuer or the CC Intermediate Note Issuer.

Constant Prepayment Rate (% per annum)	Class A Investor Notes		Class B Investor Notes	
	Expected Average Life (years)	Expected Maturity (years)	Expected Average Life (years)	Expected Maturity (years)
0%	7.56	12 June 2022	16.02	12 June 2022
3%	6.33	12 Sept 2020	14.27	12 Sept 2020
5%	5.68	12 Sept 2019	13.27	12 Sept 2019
10%	4.45	12 March 2017	10.77	12 March 2017

The base case assumption above reflects the current expectations of the Investor Note Issuer but no assurance can be given that the redemption of the Investor Notes will occur as described above. The prepayment rates are stated as an average annual prepayment rate but the prepayment rate for one Interest Period may substantially differ from one period to another. The constant prepayment rates shown above are purely illustrative and do not represent the full range of possibilities for constant prepayment rates.

The average life of the Investor Notes is subject to factors that are largely out of the control of the Investor Note Issuer. As a consequence no assurance can be given that the above estimates will prove in any way to be realistic and therefore they must be considered with caution.

TERMS AND CONDITIONS OF THE INVESTOR NOTES

The terms and conditions to be set out on the Global Notes and (if issued) on the Definitive Notes will (subject to amendment and completion) be as set out below. While the Investor Notes are represented by the Global Notes, they are governed by the same terms and conditions, except to the extent that those terms and conditions are modified by the provisions of the relevant Global Note.

General

The issue of the Euro 996,050,000 Class A Secured Floating Rate Investor Notes due March 2038 (the "**Class A Investor Notes**") and the Euro 42,400,000 Class B Secured Floating Rate Investor Notes due March 2038 (the "**Class B Investor Notes**") and, together with the Class A Investor Notes, the "**Investor Notes**") was authorised by a resolution of the directors of BCC Mortgages PLC (the "**Investor Note Issuer**") on 1 June 2006. The Investor Notes are constituted and secured by a trust deed (as amended or supplemented from time to time, the "**Investor Note Trust Deed**") expected to be dated 1 June 2006 (the "**Investor Note Issue Date**") between the Investor Note Issuer and Deutsche Trustee Company Limited (the "**Investor Note Trustee**"). An agency agreement (as amended or supplemented from time to time, the "**Investor Note Agency Agreement**") expected to be dated the Investor Note Issue Date has been entered into in relation to the Investor Notes between the Investor Note Issuer, Deutsche Bank Luxembourg S.A. (the "**Luxembourg Paying Agent**") Deutsche Bank AG, London Branch as principal paying agent, agent bank and custodian (the "**Investor Note Principal Paying Agent**", the "**Investor Note Agent Bank**" and the "**Investor Note Custodian**" in those respective capacities and, together with the Luxembourg Paying Agent, the "**Investor Note Agents**") and the Investor Note Trustee. Copies of the Investor Note Trust Deed and the Investor Note Agency Agreement are available for inspection during usual business hours at the registered office of the Investor Note Trustee and at the specified office of the Investor Note Principal Paying Agent (both of which at the date hereof are at Winchester House, 1 Great Winchester Street, London EC2N 2DB). The Noteholders (as defined below) are entitled to the benefit of, are bound by, and are deemed to have notice of, all of the provisions of the Investor Note Trust Deed, and are deemed to have notice of all of those provisions of the Investor Note Agency Agreement which are relevant to them. All capitalised expressions that are used but not defined in these terms and conditions (the "**Investor Note Conditions**") will, unless the context otherwise requires, have the meaning given to them in the Investor Note Trust Deed.

Unless otherwise defined, in these Investor Note Conditions:

"Acceleration Order of Priority" means the order in which the Investor Note Issuer Available Funds shall be applied on each Payment Date following the service of a Default Notice in accordance with the Investor Note Conditions.

"Application of Proceeds" means the Pre-Acceleration Application of Proceeds or the Acceleration Order of Priority, as applicable, according to which the Investor Note Issuer Available Funds shall be applied on each Payment Date in accordance with the Investor Note Conditions.

"Available Class A Investor Note Interest Funds" means all amounts received in the Class A Investor Note Interest Account in respect of interest payments in the Class A Intermediate Notes during the Collection Period ending on such Payment Date.

"Available Class A Investor Note Principal Funds" means all amounts received in the Class A Investor Note Principal Account in respect of the Class A Intermediate Notes during the Collection Period ending on such Payment Date.

"Available Class B Investor Note Interest Funds" means all amounts received in the Class B Investor Note Interest Account in respect of interest payments on the Class B Intermediate Notes during the Collection Period ending on such Payment Date.

"Available Class B Investor Note Principal Funds" means all amounts received in the Class B Investor Note Principal Account in respect of the Class B Intermediate Notes during the Collection Period ending on such Payment Date.

"Available Investor Note Expense Funds" means all amounts standing to the credit of the Investor Note Expenses Account.

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

"Calculation Date" means the date falling three Business Days before each Payment Date.

"CC Intermediate Note Conditions" means the terms and conditions of the CC Intermediate Notes as may be subsequently amended in accordance with the provisions thereof.

"CC Intermediate Note Issuer" means Cassa Centrale Finance S.r.l.

"CC Intermediate Notes" means the Class A CC Intermediate Notes and the Class B CC Intermediate Notes.

"CC Placement Agent" means Cassa Centrale delle Casse Rurali Trentine – BCC Nord Est S.p.A.

"CF Intermediate Note Conditions" means the terms and conditions of the CF Intermediate Notes as may be subsequently amended in accordance with the provisions thereof.

"CF Intermediate Note Issuer" means Credico Finance 6 S.r.l.

"CF Intermediate Notes" means the Class A CF Intermediate Notes and the Class B CF Intermediate Notes.

"CF Placement Agent" means ICCREA Banca S.p.A. – Istituto Centrale del Credito Cooperativo.

"Class A CC Intermediate Notes" means the Euro 432,065,000 Class A Asset Backed Floating Rate Notes due March 2038 issued by the CC Intermediate Note Issuer.

"Class A CF Intermediate Notes" means the Euro 563,985,000 Class A Asset Backed Floating Rate Notes due March 2038 issued by the CF Intermediate Note Issuer.

"Class A Investor Note Interest Account" means the account into which all amounts received by the Investor Note Issuer in respect of interest on the Class A Intermediate Notes will be credited.

"Class A Investor Note Principal Account" means the account into which all amounts received by the Investor Note Issuer in respect of principal payments on the Class A Intermediate Notes will be credited.

"Class B CC Intermediate Notes" means Euro 18,400,000 Class B Asset Backed Floating Rate Notes due March 2038 issued by the CC Intermediate Note Issuer.

"Class B CF Intermediate Notes" means Euro 24,000,000 Class B Asset Backed Floating Rate Notes due March 2038 issued by the CF Intermediate Note Issuer.

"Class B Investor Note Interest Account" means the account into which all amounts received by the Investor Note Issuer in respect of interest on the Class B Intermediate Notes will be credited.

"Class B Investor Note Principal Account" means the account into which all amounts received by the Investor Note Issuer in respect of principal payments on the Class B Intermediate Notes will be credited.

"Class" means each class of Investor Notes, being the Class A Investor Notes and the Class B Investor Notes.

"Clearstream Luxembourg" means Clearstream Banking, Luxembourg.

"Collection Period" means each period starting on a Payment Date (exclusive) and ending on the following Payment Date (inclusive).

"EURIBOR" means the Euro-zone inter-bank offered rate for particular period as appears on Reuters Page Euribor01.

"Euroclear" means Euroclear Bank S.A./N. V., as operator of the Euroclear System.

"Extraordinary Resolution" means a resolution passed at a meeting of the Noteholders, duly held and convened in accordance with the Investor Note Trust Deed, by a majority consisting of not less than 75% of the votes cast.

"First Payment Date" means 12 December, 2006.

"Interest Determination Date" means, with respect to the Initial Interest Period, the date falling on the second Business Day immediately preceding the Investor Note Issue Date and with respect to each subsequent Interest Period, the date falling on the fourth Business Day immediately preceding the Payment Date at the beginning of such Interest Period.

"Interest Period" means each period from (and including) a Payment Date to (but excluding) the following Payment Date, provided that the first Interest Period (the **"Initial Interest Period"**) shall begin on (and include) the Investor Note Issue Date and end on (but exclude) the First Payment Date.

"Intermediate Note Issuers" means the CC Intermediate Note Issuer and the CF Intermediate Note Issuer.

"Intermediate Note Transaction Documents" means, together, the Transaction Documents as defined in each of the CC Intermediate Note Conditions and the CF Intermediate Note Conditions.

"Intermediate Notes" means the CC Intermediate Notes and the CF Intermediate Notes.

"Investor Note Account Management Agreement" means the account management agreement entered into on or prior to the Investor Note Issue Date between the Investor Note Issuer, the Investor Note Agent Bank and the Investor Note Trustee.

"Investor Note Agency Agreement" means the agency agreement entered into on or prior to the Investor Note Issue Date between the Investor Note Issuer, the Investor Note Agents and the Investor Note Trustee.

"Investor Note Expense Account" means an account into which the CF Intermediate Note Issuer and the CC Intermediate Note Issuer in accordance with the Intermediate Note Transaction Documents will pay amounts in respect of taxes, fees, costs and expenses required to be paid by the Investor Note Issuer during each Interest Period.

"Investor Note Final Maturity Date" means the Payment Date falling in March, 2038.

"Investor Note Issuer Accounts" means the Class A Investor Note Interest Account, the Class A Investor Note Principal Account, the Class B Investor Note Interest Account, the Class B Investor Note Principal Account and the Investor Note Expense Account.

"Investor Note Issuer Administration Agreement" means the administration agreement to be entered into on or prior to the Investor note Issue Date between the Investor Note Issuer, the Investor Note Trustee and the Investor Note Issuer Administrator, as may be amended or supplemented from time to time.

"Investor Note Issuer Available Funds" means, in respect of each Payment Date, the aggregate of the Available Class A Investor Note Interest Funds, the Available Class B Investor Note Interest Funds, the Available Class A Investor Note Principal Funds, the Available Class B Investor Note Principal Funds, the Available Investor Note Expense Funds, any proceeds arising from the sale of the Investor Note Collateral and all other amounts received from the Intermediate Note Issuers or any other party during the Collection Period ending on such Payment Date.

"Investor Note Secured Creditors" means the Investor Note Trustee, the Noteholders the Investor Note Agents and the Investor Note Issuer Administrator.

"Investor Note Subscription Agreement" means the subscription agreement to be entered into on or prior to the Investor Note Issue Date, between the Investor Note Issuer, the Placement Agents and the Lead Manager.

"Investor Note Transaction Documents" means the Investor Note Trust Deed, the Investor Note Agency Agreement, the Investor Note Subscription Agreement, the Investor Note Account Management Agreement, the Payments Undertaking Agreement and the Investor Note Issuer Administration Agreement.

"Investor Note Trust Deed" means the trust deed to be entered into on or prior to the Investor Note Issue Date between the Investor Note Issuer and the Investor Note Trustee.

"Lead Manager" means Société Générale, London Branch.

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

"Most Senior Class of Investor Notes" (a) the Class A Investor Notes; or (b) if no Class A Investor Notes are then outstanding, the Class B Investor Notes.

"outstanding" means, in relation to the Investor Notes, all the Investor Notes which have been issued other than:

- (i) those which have been redeemed in accordance with the Investor Note Conditions;
- (ii) those in respect of which all amounts due and payable have been discharged in full in accordance with the Investor Note Conditions;
- (iii) those in respect of which the date for redemption in accordance with the Investor Note Conditions has occurred and for which the redemption monies (including all interest accrued thereon to the date for such redemption) have been duly paid to the Investor Note Trustee or to the Investor Note Principal Paying Agent as provided in the Investor Note Agency Agreement (and, where appropriate, notice has been given to the Noteholders) and remain available for payment against presentation of the Investor Notes;

- (iv) those which have become void or been cancelled in accordance with the Investor Note Conditions;
- (v) the relevant Temporary Global Note to the extent that it has been exchanged for the relevant Permanent Global Note pursuant to its provisions;
- (vi) the relevant Permanent Global Note to the extent that it has been exchanged for the relevant Definitive Notes pursuant to its provisions;
- (vii) those defaced or mutilated Investor Notes which have been surrendered and cancelled and in respect of which replacement Investor Notes have been issued in accordance with the Investor Note Conditions; and
- (viii) (for the purpose only of ascertaining the principal amount of the Investor Notes outstanding and without prejudice to their status for any other purpose) those Investor Notes which are alleged to have been lost, stolen or destroyed and with respect to which replacements have been issued pursuant to the Investor Note Conditions.

"Payment Date" means the 12th day of December, March, June and September, in each year or, if any of such a date does not fall on a Business Day, the following Business Day, until the Investor Note Final Maturity Date.

"Payments Undertaking Agreement" means the payments undertaking agreement dated 1 June 2006 between the Investor Note Issuer and the Intermediate Note Issuers.

"Placement Agents" means the CF Placement Agent and the CC Placement Agent.

"Pre-Acceleration Application of Proceeds" means the order in which the Investor Note Issuer Available Funds shall be applied on each Payment Date prior to the service of a Default Notice in accordance with the Investor Note Conditions.

"Rating Agencies" means Moody's and S&P and any successors thereof and any other rating agency which shall be appointed by the Investor Note Issuer to give a rating to the Investor Notes.

"Redemption for Taxation" has the meaning set out in Condition 6.2

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

"Transaction Documents" means, together, the Investor Note Transaction Documents and the Intermediate Note Transaction Documents.

1. FORM, DENOMINATION AND TITLE

The Investor Notes will be issued in bearer form in denominations of €50,000.

Title to the Investor Notes will pass by delivery.

Except as ordered by a court of competent jurisdiction or as required by law, the Noteholder will be deemed to be and may be treated as the absolute owner of such Investor Note for the purpose of receiving payments thereon or on account thereof and for all other purposes, whether or not such Investor Note is overdue and notwithstanding any notice of ownership, theft or loss thereof or any writing thereon.

Notwithstanding the foregoing, for so long as the Investor Notes are represented by the Global Notes and the Global Notes are held on behalf of Euroclear and Clearstream, Luxembourg (each a **"Clearing System"**), beneficial interests in the Investor Notes will only be transferable in accordance

with the rules and procedures for the time being of the relevant Clearing System(s) and each person who is for the time being shown in the records of a Clearing System (other than each Clearing System to the extent that it is an account holder with the other Clearing System for the purpose of operating a "bridge" between such Clearing Systems) as the holder of a particular principal amount of the Investor Notes of the relevant Class (in which regard any certificate or other document issued by the relevant Clearing System as to the principal amount of Investor Notes of such Class standing to the account of any person will be conclusive and binding for all purposes) will be entitled to be treated by the Investor Note Issuer and the Investor Note Trustee as the holder of such principal amount of the Investor Notes of such Class (and the expressions "**Noteholders**" and the references to "**holding of Investor Notes**" and "**holders of the Investor Notes**" will be construed accordingly) for all purposes other than the entitlement to receive payments of principal, interest and other amounts on the relevant Global Note.

In these Investor Note Conditions, "**Noteholder**" means the bearer of the relevant Investor Note.

2. STATUS

The Investor Notes will be direct, secured, limited recourse obligations of the Investor Note Issuer, secured in the manner set out in Investor Note Condition 3 and recourse in respect of which is limited in the manner described in Investor Note Condition 4. The Investor Notes of each Class will rank *pari passu* and rateably without any preference or priority among themselves.

The respective rights of the holders of each Class of the Investor Notes in respect of priority of payment of interest, principal and other amounts are set out in Investor Note Condition 4.

The Investor Note Trust Deed contains provisions requiring the Investor Note Trustee, with respect to the exercise of all its rights, powers, trusts, authorities and discretions and the performance of its duties thereunder (except where expressly otherwise provided therein) to have regard to the interests of:

- (i) the Noteholders only, and not to have regard to the interests of the other Investor Note Secured Creditors (other than to facilitate the distribution of monies pursuant to Investor Note Condition 4), and no other Investor Note Secured Creditor will have any claim against the Investor Note Trustee as a result;
- (ii) if and to the extent that there is a conflict of interest between the holders of the Investor Notes of one or more Classes, to have regard to, for as long as there are any Class A Investor Notes outstanding, the holders of the Class A Investor Notes if, in the Investor Note Trustee's opinion, there is a conflict between the interests of (a) the holders of the Class A Investor Notes and (b) the holders of the Class B Investor Notes.

3. SECURITY

As security for the payment of, *inter alia*, all monies payable in respect of the Investor Notes and otherwise under the Investor Note Trust Deed (including the payment of all costs, charges, expenses and liabilities incurred by the Investor Note Trustee or any receiver in enforcing the Investor Note Collateral) (the "**Investor Note Secured Obligations**"), the Investor Note Issuer has entered into the Investor Note Trust Deed pursuant to which the following security (the "**Investor Note Collateral**") has been created in favour of the Investor Note Trustee for itself and for the benefit of the other Investor Note Secured Creditors with full title guarantee:

- (i) an Italian law pledge (*pegno regolare*) of the Intermediate Notes, pursuant to (i) the first paragraph of article 31 of the Italian legislative decree no. 213/1998 (as amended and supplemented), (ii) article 45 of CONSOB regulation no. 11768/1998

- (as amended and supplemented), and (iii) Italian legislative decree 170/2004 (as amended and supplemented);
- (ii) a first fixed charge of the Intermediate Notes, all debts represented thereby and the right to payment of all principal, interest and other monies in respect thereof and all rights to the delivery thereof as against the Investor Note Custodian or any other depositary thereof;
 - (iii) a first fixed charge of all of the Investor Note Issuer's right, title, interest and benefit in and to (A) all amounts from time to time standing to the credit of the Investor Note Issuer Accounts and (B) all monies held from time to time with the Investor Note Agent Bank for the payment of principal, interest and other amounts owing in respect of the Investor Notes;
 - (iv) an assignment by way of first fixed security of the Investor Note Issuer's right, title and interest present and future in, and all of its rights in respect of any of the Transaction Documents to which it is a party; and
 - (v) a first floating charge over the whole of the assets and undertaking of the Investor Note Issuer to the extent such assets and undertaking are not otherwise subject to any other security interest as described above, and the cash proceeds derived from the issue of the Investor Note Issuer's ordinary share capital.

4. APPLICATION OF PROCEEDS

4.1 Pre-Acceleration Application of Proceeds

Save for the provisions of Investor Note Condition 4.2 and 4.3:

- (i) the Available Investor Note Expense Funds shall be applied on each Payment Date or as and when the same fell due and are required to be paid (*pari passu* and *pro rata* to the extent of the respective amounts thereof), to pay (i) all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Investor Note Issuer or to maintain it in good standing or to comply with applicable legislation and regulations; (ii) thereafter and subject to payment of the amounts specified above (*pari passu* and *pro rata* to the extent of the respective amounts thereof) all costs and taxes required to be paid to maintain the rating of the Investor Notes and in connection with the registration and deposit of the Investor Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents; (iii) thereafter and subject to payment of the amounts specified above (*pari passu* and *pro rata* to the extent of the respective amounts thereof) to pay the fees, expenses and all other amounts due to the Investor Note Trustee; (iv) thereafter and subject to payment of the amounts specified above (*pari passu* and *pro rata* to the extent of the respective amounts thereof) to pay the fees, expenses and all other amounts due to the Investor Note Agents and the Investor Note Issuer Administrator;
- (ii) the Available Class A Investor Note Interest Funds shall be applied on each Payment Date to pay all amounts of interest due and payable on the Class A Investor Notes on such Payment Date (pro rata according to the amounts then due);
- (iii) the Available Class B Investor Note Interest Funds shall be applied on each Payment Date to pay all amounts of interest due and payable on the Class B Investor Notes on such Payment Date (pro rata according to the amounts then due);

- (iv) the Available Class A Investor Note Principal Funds shall be applied on each Payment Date to pay the outstanding principal amount of the Class A Investor Notes with respect to such Payment Date;
- (v) the Available Class B Investor Note Principal Funds shall be applied on each Payment Date to pay the outstanding principal amount of the Class B Investor Notes with respect to such Payment Date; and
- (vi) the Investor Note Issuer Available Funds (if any) not otherwise applied or required to be applied in accordance with Investor Note Conditions 4.1(i)-(v) shall be applied on each Payment Date: first, to pay all amounts of interest due and payable on the Most Senior Class of Investor Notes; second, to pay the outstanding principal amount on the Most Senior Class of Investor Notes; and third, after the full and final redemption of all the Investor Notes to the Intermediate Note Issuers equally.

4.2 Acceleration Order of Priority

Following the delivery of a Default Notice or in the case of Redemption for Taxation, the Investor Note Issuer Available Funds shall be applied on each Payment Date in making the following payments in the following order of priority (in each case, only if and to the extent that payments of a higher priority have been made in full):

First (pari passu and pro rata to the extent of the respective amounts thereof) to pay (i) all costs, fees and expenses incurred by the Investor Note Trustee or any receiver appointed pursuant to the Investor Note Trust Deed in the enforcement of the Investor Note Collateral or otherwise arising from the acceleration of the Investor Notes; (ii) all taxes and expenses required by law to be paid;

Second, (pari passu and pro rata to the extent of the respective amounts thereof) to pay the fees, expenses and all other amounts due to the Investor Note Trustee;

Third, (pari passu and pro rata to the extent of the respective amounts thereof) to pay the fees, expenses and all other amounts due to the Investor Note Agents and the Investor Note Issuer Administrator;

Fourth, to pay all amounts of interest due and payable on the Class A Investor Notes on such Payment Date (pro rata according to the amounts then due);

Fifth, to pay the outstanding principal amount of the Class A Investor Notes on such Payment Date (pro rata according to the amounts then due);

Sixth, to pay all amounts of interest due and payable on the Class B Investor Notes on such Payment Date (pro rata according to the amounts then due);

Seventh, to pay the outstanding principal amount of the Class B Investor Notes on such Payment Date (pro rata according to the amounts then due); and

Eighth, to pay any surplus to the Intermediate Note Issuers equally.

4.3 Limited Recourse

Notwithstanding any other provision of these Investor Note Conditions to the contrary, the Investor Note Secured Obligations (including the Investor Note Issuer's obligations in respect of the Investor Notes) will be limited recourse obligations of the Investor Note Issuer, with

recourse limited to the Investor Note Issuer Available Funds. The Investor Notes will not be the obligations or responsibility of, or insured or guaranteed by, any other person or entity.

If the Investor Note Issuer Available Funds are not sufficient for the Investor Note Issuer to make all payments due in respect of the Investor Notes Secured Obligations (including the Investor Note Issuer's obligations in respect of the Investor Notes) upon the enforcement of the Investor Note Collateral, the Investor Note Issuer will have no other assets available to make those payments. Claims against the Investor Note Issuer in respect of any such shortfall remaining after enforcement of the Investor Note Collateral will be extinguished and will not thereafter revive, and failure to make any payment in respect of any such shortfall will in no circumstances constitute an Event of Default. Neither the Investor Note Trustee nor any other Investor Note Secured Creditor (where entitled to do so) may take steps against the Investor Note Issuer or its directors, officers, shareholders or agents to recover any such shortfall and, in particular, neither the Investor Note Trustee nor any Investor Note Secured Creditor will be entitled to institute against the Investor Note Issuer any bankruptcy, special liquidation, civil rehabilitation, examinership or similar proceedings until one year and one day after the date on which all amounts owing in respect of the Investor Notes have been paid in full.

5. INTEREST

5.1 Payment Dates and Interest Periods

Save as provided for in Investor Note Condition 5.8 (Unpaid Interest), interest in respect of the Investor Notes is payable quarterly in arrears on each Payment Date in Euro.

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 outstanding principal amount of the Investor Notes as from (and including) the due date for redemption of such part unless payment of principal due 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 from time to time applicable to the Investor Notes until the monies in respect thereof have been received by the Investor Note Principal Paying Agent on behalf of the relevant Noteholders and notice to that effect is given by the Investor Note Issuer in accordance with Investor Note Condition 11 (*Notices*).

5.2 Interest Rate

Each of the Investor Notes bears interest on its outstanding principal amount from (and including) the Investor Note Issue Date at:

- (i) EURIBOR for three month deposits in Euro calculated as the arithmetic mean of the offered quotations to leading banks (rounded to three decimal places with the mid-point rounded up) for three month Euro deposits in the Euro-zone inter-bank market which appear on Reuters Page Euribor01 (or, in the case of the first Interest Determination Date only, the linear interpolation between the Screen Rate (as defined below) for EURIBOR for six month and seven month Euro deposits (the "**Additional Screen Rate**")) or (i) such other page as may replace Reuters Page Euribor01 for the purpose of displaying such information or, (ii) if that service ceases to display such information, such page displaying such information on such equivalent service (or, if more than one, that one which is approved in writing by the Investor Note Trustee to replace the Reuters Page) (the "**Screen Rate**"), at or about 10.00 a.m. (London time) on the relevant Interest Determination Date; or

- (ii) if the Screen Rate (or, in the case of the first Interest Determination Date only, the Additional Screen Rate) is unavailable at such time for three month Euro deposits, then the rate for the relevant Interest Period shall be the arithmetic mean (rounded to three decimal places with the mid-point rounded up) of the rates notified to the Investor Note Agent Bank at its request by each of the Reference Banks (as defined in Investor Note Condition 5.7) as the rate at which three month Euro deposits (or, in the case of the first Interest Determination Date only, the linear interpolation between the Screen Rate for six month and seven month Euro deposits) in a representative amount are offered by that Reference Bank to leading banks in the Euro-zone inter-bank market at or about 10.00 a.m. (London time) on the relevant Interest Determination Date. If, on any such Interest Determination Date, only two of the Reference Banks provide such quotations to the Investor Note Agent Bank, the rate for the relevant Interest Period shall be determined, as aforesaid, on the basis of the offered quotations of those Reference Banks providing such quotations. If, on any such Interest Determination Date, only one or none of the Reference Banks provides the Investor Note Agent Bank with such quotation, the Investor Note Agent Bank shall forthwith consult with the Investor Note Trustee and the Investor Note Issuer for the purpose of agreeing one additional bank (or, where none of the Reference Banks provides such a quotation, two additional banks) to provide such a quotation or quotations to the Investor Note Agent Bank (which bank or banks is or are in the opinion of the Investor Note Trustee suitable for such purpose) and the rate for the relevant Interest Period shall be determined, as aforesaid, on the basis of the offered quotations of such banks (or, as the case may be, the offered quotations of such bank and the relevant Reference Bank). If no such bank (or banks) is (or are) so agreed or such bank (or banks) as agreed does not (or do not) provide such a quotation (or quotations), then the rate for the relevant Interest Period shall be the rate in effect for the last preceding Interest Period to which sub-paragraph (i) of this Investor Note Condition 5.2 shall have applied plus the following margin:

0.16% per annum in respect of the Class A Investor Notes; and

0.46% per annum in respect of the Class B Investor Notes (the "**Interest Rate**").

The Interest Rate applicable from time to time in respect of each Class of Investor Notes will be determined by the Investor Note Agent Bank on the relevant Interest Determination Date.

5.3 **Determination of the Interest Rate, Calculation of the Interest Amount**

The Investor Note Agent Bank shall, on each Interest Determination Date:

- (i) determine the Interest Rate applicable to the Interest Period beginning after such Interest Determination Date (or in the case of the Initial Interest Period, beginning on and including the Investor Note Issue Date); and
- (ii) calculate the Euro amount (the "**Interest Amount**") payable on each Class of Investor Notes in respect of such Interest Period. The Interest Amount payable in respect of any Interest Period shall be calculated by applying the relevant Interest Rate to the outstanding principal amount of the each Class of Investor Notes on the Payment Date at the commencement of such Interest Period (after deducting therefrom any payment of principal due on that Payment Date) or, in the case of the Initial Interest Period, on the Investor Note Issue Date, and by multiplying the product of such calculation by the actual number of days elapsed in the relevant

Interest Period divided by 360, and rounding the resultant figure to the nearest cent (half a cent being rounded up).

5.4 Publication of the Interest Rate and the Interest Amount

The Investor Note Agent Bank will cause the Interest Rate and the Interest Amount applicable to each Interest Period and the Payment Date in respect of such Interest Amount, to be notified promptly after their determination to the Investor Note Issuer, the Investor Note Trustee, Euroclear, Clearstream Luxembourg, the Investor Note Agents and the Luxembourg Stock Exchange and will cause the same to be published in accordance with Investor Note Condition 11 (Notices) hereof 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.

5.5 Determination and Calculation by the Investor Note Trustee

If the Investor Note Agent Bank does not at any time for any reason does not calculate the Interest Rate and/or the Interest Amount in accordance with Investor Note Condition 5.3 above, the Investor Note Trustee shall determine the Interest Rate at such rate as (having regard to the procedure described in Investor Note Condition 5.2 above) it shall consider fair and reasonable in all circumstances; and/or (as the case may be), calculate the Interest Amount in the manner specified in Investor Note Condition 5.3 above and any such determination and/or calculation shall be deemed to have been made by the Investor Note Agent Bank.

5.6 Notification to be final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Investor Note Condition 5, whether by the Investor Note Agent Bank, the Investor Note Issuer or the Investor Note Trustee shall (in the absence of wilful default or gross negligence be binding on the Investor Note Agent Bank, the Investor Note Issuer, the Investor Note Trustee and all the Noteholders and (in such absence as aforesaid) no liability to the Noteholders shall attach to the Investor Note Agent Bank, the Investor Note Issuer or the Investor Note Trustee in connection with the exercise or non-exercise by them or any of them of their powers, duties and discretions hereunder.

5.7 Reference Banks and Investor Note Agent Bank

The Investor Note Issuer shall ensure that, so long as any of the Investor Notes remains outstanding, there shall at all times be three Reference banks (the "**Reference Banks**") and the Investor Note Agent Bank. The initial Reference Banks shall be Banca Intesa S.p.A., Sanpaolo IMI S.p.A. and Banca di Roma S.p.A. In the event of any such bank is unable or unwilling to continue to act as a Reference Bank or that any of the merge with another Reference Bank, the Investor Note Issuer shall appoint such other bank as may have been previously approved in writing by the Investor Note Trustee to act as such.

The Investor Note Issuer shall insure that at all times an Investor Note Agent Bank is appointed. If a new Investor Note Agent Bank is appointed, a notice will be published in accordance with Investor Note Condition 11 (Notices).

5.8 Unpaid Interest

Without prejudice to Investor Note Condition 2.1, in the event that the Investor Note Issuer Available Funds available to the Investor Note Issuer on any Payment Date (in accordance

with the Pre-Acceleration Application of Proceeds or the Acceleration Order of Priority, as applicable), for the payment of interest due on the Investor Notes on such Payment Date are not sufficient to satisfy in full the aggregate amount of such interest, the amount by which the aggregate amount of interest paid on such Payment Date falls short of the aggregate amount of interest which would otherwise be due shall accrue interest with respect to each Interest Period during which it remains outstanding at the Interest Rate and shall be aggregated with the amount of, and treated for the purposes of these Investor Note Conditions as if it were, interest due on the Investor Notes on the immediately following Payment Date and any such event will not constitute an Event of Default pursuant to Investor Note Condition 9.

The Investor Note Issuer shall arrange for notice to be given forthwith by the Investor Note Agent Bank to the Luxembourg Stock Exchange, the Investor Note Trustee and the Investor Note Agents and will cause notice to that effect to be given to the Noteholders in accordance with Investor Note Condition 11 (*Notices*), no later than three Business Days prior to any Payment Date, of any Payment Date on which, pursuant to this Investor Note Condition 5.8, interest on the Investor Notes will not be paid in full.

6. REDEMPTION, PURCHASE AND CANCELLATION

6.1 Final Redemption

Unless previously redeemed in full as provided for in this Investor Note Condition 6, the Investor Note Issuer shall redeem in whole the outstanding principal amount of the Investor Notes on the Investor Note Final Maturity Date.

The Investor Note Issuer may not redeem the Investor Notes in whole or in part prior to the Investor Note Final Maturity Date except as provided for in Investor Note Conditions 6.2 or 6.3 below, but without prejudice to Investor Note Condition 9 (*Events of Default*).

If any Class of Investor Notes cannot be redeemed in full on the Investor Note Final Maturity Date, any amount outstanding whether in respect of interest, principal or other amounts in relation to the Investor Notes shall be finally and definitively cancelled.

6.2 Redemption for Taxation

If the Investor Note Issuer has provided the Investor Note Trustee with: (i) a legal opinion in form and substance satisfactory to the Investor Note Trustee from a firm of lawyers (approved in writing by the Investor Note Trustee); and (ii) a certificate from the legal representative of the Investor Note Issuer, to the effect that the Investor Note Issuer:

- (i) would be required on the next Payment Date to deduct or withhold from any payment of principal or interest on the Investor Notes, any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed (or that amounts payable to the Investor Note Issuer in respect of the Intermediate Notes would be subject to withholding or deduction); or
- (ii) any of the Intermediate Note Issuers has become liable to *imposta sul reddito delle società (IRES)* or to *imposta regionale sulle attività produttive (IRAP)* with respect to income arising from any of the underlying assets in respect of the Portfolios;

in each case provided that the Investor Note Issuer will have the necessary funds (not subject to the interests of any other person) to discharge all of its outstanding liabilities with respect to the relevant Class of Investor Notes and any amounts required to be paid in priority to, or *pari passu* with, such Investor Notes, the Investor Note Issuer may, on the first Payment Date

on which such necessary funds become available to it, redeem the relevant Class of Investor Notes (in whole but not in part) at their outstanding principal amount together with all accrued but unpaid interest thereon up to and including the relevant Payment Date and on such Payment Date the Acceleration Order of Priority will become applicable, provided that prior to such Payment Date (a) the Investor Note Issuer shall have given prior written notice to the Investor Note Trustee and to the Noteholders in accordance with Investor Note Condition 11 (Notices) and (b) Noteholders holding at least 75% of the outstanding principal amount of the Most Senior Class of Investor Notes, shall have instructed the Investor Note Issuer to redeem the Investor Notes (in whole but not in part).

6.3 Mandatory Redemption

The Class A Investor Notes will be subject to mandatory redemption on any Payment Date to the extent of all principal payments received in relation to the Class A Investor Notes and held in the Class A Investor Note Principal Account on such date and the Class B Investor Notes will be subject to mandatory redemption on any Payment Date to the extent of all principal payments received in relation to the Class B Investor Notes and held in the Class B Investor Note Principal Account on such date, provided that, at any time following the delivery of a Default Notice, the Acceleration Order of Priority will be applied.

6.4 Sale of the Intermediate Notes

If, in the following circumstances:

- (i) in case of Redemption for Taxation pursuant to Investor Note Condition 6.2; or
- (ii) after a Default Notice has been served on the Investor Note Issuer pursuant to Investor Note Condition 9, Noteholders holding at least 75% of the outstanding principal amount of the Most Senior Class of Investor Notes resolve to request the Investor Note Issuer to sell all (but not part) of the Intermediate Notes to one or more third parties,

the Investor Note Issuer is authorised, with the assistance of the Investor Note Trustee, to search for potential purchasers for all (but not only some) of the Intermediate Notes.

In addition, following the delivery of a Default Notice, the Investor Note Trustee shall be entitled to sell the Intermediate Notes.

Should a sale of the Intermediate Notes take place, the proceeds of such sale shall be treated by the Investor Note Issuer as the Investor Note Issuer Available Funds, shall be applied by the Investor Note Issuer in accordance with the Acceleration Order of Priority.

6.5 Notice of Redemption

Any such notice as is referred to in Investor Note Condition 6.2 and 6.3 above shall be irrevocable and, upon the expiration of such notice, the Investor Note Issuer shall be obliged to redeem the Investor Notes in accordance with this Investor Note Condition 6.

6.6 Principal Payments and Outstanding Principal Amount

On each Calculation Date the Investor Note Issuer shall determine or procure that the Investor Note Agent Bank determines, *inter alia*, (on the Investor Note Issuer's behalf):

- (i) the amount of any principal payment payable on the Investor Notes on the following Payment Date; and

- (ii) the outstanding principal amount of each Class of Investor Notes on the following Payment Date (after deducting any principal payment due to be made on the Investor Notes on that Payment Date).

Each determination by or on behalf of the Investor Note Issuer of the Principal Payment on each Investor Note, the outstanding principal amount of each Investor Note and of each Class of Investor Notes shall in each case (in the absence of wilful default, gross negligence, bad faith or manifest error) be final and binding on all persons.

The Investor Note Issuer shall, no later than two Business Days prior to each Payment Date, cause each determination of a principal payment (if any) and the outstanding principal amount of the Investor Notes to be notified forthwith by the Investor Note Agent Bank to the Investor Note Trustee, Euroclear, Clearstream Luxembourg, the Luxembourg Stock Exchange and the other Investor Note Agents and shall cause notice of each determination of a principal payment and outstanding principal amount of each Class of Investor Notes to be given to the Noteholders in accordance with Investor Note Condition 11 (*Notices*). As long as the Investor Notes are not redeemed in full, if no principal payment is due to be made on the Investor Notes on a Payment Date, notice to this effect shall also be given by the Investor Note Issuer to the Noteholders in accordance with Investor Note Condition 11 (*Notices*).

If no principal payment or outstanding principal amount of the Investor Notes is determined by or on behalf of the Investor Note Issuer in accordance with the provisions of this Investor Note Condition 6.7, such principal payment or outstanding principal amount of the Investor Notes shall be determined by the Investor Note Agent Bank in accordance with this Investor Note Condition 6.7 and each such determination shall be deemed to have been made by the Investor Note Issuer.

6.7 No purchase by Investor Note Issuer

The Investor Note Issuer shall not purchase any of the Investor Notes.

6.8 Cancellation

All Investor Notes redeemed in full will be cancelled upon redemption and may not be re-sold or re-issued.

7. PAYMENTS

- 7.1 The Investor Note Principal Paying Agent shall arrange for payment of principal and interest in respect of the Investor Notes to be made through the relevant operators of Clearstream Luxembourg and Euroclear to the accounts of the beneficial owners of the Investor Notes with such operators in accordance with the rules and procedures of Clearstream Luxembourg and Euroclear, as the case may be.
- 7.2 Payments of principal and interest in respect of the Investor Notes are subject in all cases to any fiscal or other laws and regulations applicable thereto.
- 7.3 If the due date for any payment of principal and/or interest (or any later date on which any Note could otherwise be presented for payment) is not a Business Day, the Noteholders will not be entitled to payment of the relevant amount until the immediately following Business Day. The Noteholders will not be entitled to any interest or other payment in consequence of any delay in receiving the amount due as a result of the due date not being a Business Day.
- 7.4 The Investor Note Issuer reserves the right, subject to the prior written approval of the Investor Note Trustee, at any time to vary or terminate the appointment of any Investor Note Agent and to appoint additional or other paying agents including the Investor Note Principal

Paying Agent provided that (as long as the Investor Notes are listed on the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange so require) the Investor Note Issuer will at all times maintain a paying agent having a registered office in Luxembourg.

The Investor Note Issuer will cause at least 30 days prior notice to be given of any change in or addition to the Investor Note Agents or their registered offices in accordance with Investor Note Condition 11 (*Notices*).

8. TAXATION

All payments with respect to the Investor Notes will be made without withholding or deduction for or on account of any present or future taxes, duties or charges of whatever kind or any other withholding or deduction required to be made by any applicable law. Neither the Investor Note Issuer nor any other Person shall be obliged to pay any additional amount to any Noteholder as a consequence of any such withholding or deduction.

9. EVENTS OF DEFAULT

9.1 If any of the following events (each an "**Event of Default**") occurs:

(i) *Non-payment*

(a) the Investor Note Issuer defaults in the payment of the amount of principal then due and payable on any of the Investor Notes for a period of five Business Days from the due date thereof;

(b) the Investor Note Issuer defaults in the payment of the amount of interest then due and payable on the any of the Most Senior Class of the Investor Notes for a period of three Business Days from the due date thereof; or

(ii) *Breach of other obligations*

the Investor Note Issuer defaults in the performance or observance of any of its obligations under or in respect of the Investor Notes or any of the Transaction Documents to which it is a party (other than any obligation for the payment of principal or interest on the Investor Notes) and such default remains unremedied for thirty days after the Investor Note Trustee has given written notice thereof to the Investor Note Issuer, certifying that such default is, in the opinion of the Investor Note Trustee, materially detrimental to the interests of the Noteholders and requiring the same to be remedied; or

(iii) *Insolvency etc.*

(a) an administrator, administrative receiver or liquidator of the Investor Note or of the whole or any substantial part of the undertakings, assets and/or revenues of the Investor Note Issuer is appointed or the Investor Note Issuer becomes subject to any bankruptcy, liquidation, administration, insolvency, composition, reorganisation, examinership or similar proceedings or application is made for the commencement of any such proceedings or an encumbrancer takes possession of the whole or any substantial part of the undertakings, revenues and/or assets of the Investor Note Issuer;

(b) proceedings are initiated against the Investor Note Issuer under any applicable bankruptcy, liquidation, administration, insolvency, composition, reorganisation,

examinership or similar laws and such proceedings are not, in the opinion of the Investor Note Trustee, being disputed in good faith;

- (c) the Investor Note Issuer takes any action for a readjustment or deferment of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or is granted by a competent court a moratorium in respect of its indebtedness or any guarantee of its indebtedness given by it or applies for bankruptcy or suspension of payments; or

- (iv) *Winding up etc.*

an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Investor Note Issuer except a winding up for the purposes of or pursuant to an amalgamation or reconstruction, the terms of which have been previously approved in writing by the Investor Note Trustee or by an extraordinary resolution of the Noteholders; or

- (v) *Trigger Notice under Intermediate Notes*

a Trigger Notice is served in respect of the CF Intermediate Notes or the CC Intermediate Notes, in each case as described in the Intermediate Note Conditions relating thereto; or

- (vi) *Unlawfulness*

it is or will become unlawful (in any respect deemed by the Investor Note Trustee to be material) for the Investor Note Issuer to perform or comply with any of its obligations under or in respect of the Investor Notes or any of the Transaction Documents to which it is a party;

then the Investor Note Trustee may or shall, if so requested in writing by Noteholders holding at least 60% of the outstanding principal amount of the Investor Notes, give a written notice (a "**Default Notice**") to the Investor Note Issuer declaring that the Investor Notes have immediately become due and payable together with accrued interest, and that the Acceleration Order of Priority shall apply. Notwithstanding the foregoing, upon the occurrence of an Event of Default pursuant to Investor Note Condition 9(e) above, the Investor Note Trustee is required to deliver a Default Notice to the Investor Note Issuer.

Following the delivery of a Default Notice, without any further action or formality, on the immediately following Payment Date, and on each Payment Date thereafter, all payments of principal, interest and other amounts due with respect to the Investor Notes shall be made in accordance with the Acceleration Order of Priority.

10. ENFORCEMENT

At any time after the delivery of a Default Notice and subject to Investor Note Condition 6.4, the Investor Note Trustee may, at its discretion and without further notice, take such steps and/or institute such proceedings against the Investor Note Issuer as it may think fit, to enforce repayment of the Investor Notes and payment of interest accrued thereon, but it shall not be bound to take any such steps and/or institute any such proceedings unless:

- (a) it shall have been so requested in writing by the holders of at least 60% of the outstanding principal amount of the Most Senior Class of Investor Notes; and

- (b) it shall have been fully indemnified as to costs, damages and expenses to its satisfaction.

No Noteholder shall be entitled to proceed directly against the Investor Note Issuer unless the Investor Note Trustee, having become bound to do so, fails to do so within a reasonable period of time and such failure is continuing.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of Investor Note Condition 9 above or this Investor Note Condition 10, by the Investor Note Trustee shall (in the absence of wilful default, gross negligence, bad faith or manifest error) be binding on the Investor Note Issuer and all Noteholders and (in such absence as aforesaid) the Investor Note Trustee will have no liability to the Noteholders or the Investor Note Issuer in connection with the exercise or the non-exercise by it or any of them of their powers, duties and discretion hereunder.

11. NOTICES

So long as the Investor Notes are held by Euroclear and Clearstream, Luxembourg on behalf of the authorised financial intermediaries and/or their customers, notices to the Noteholders may be given through the systems of Euroclear and Clearstream, Luxembourg. In addition, so long as the Investor Notes are listed on the Luxembourg Stock Exchange, any notice regarding the Investor Notes to such Noteholders shall be deemed to have been duly given if published in a leading newspaper having general circulation in Luxembourg (which is expected to be the D'Wort) or if this is not practicable, in another appropriate English language newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made in the manner required in a newspaper as referred to above. Notices can also be published on the Luxembourg Stock Exchange website (www.bourse.lu).

12. PRESCRIPTION

Claims against the Investor Note Issuer for payments in respect of the Investor Notes shall be void unless made within ten (10) years (in the case of principal) or five (5) years (in the case of interest) from the Relevant Date in respect thereof.

"Relevant Date" means the date on which a payment first becomes due but, if the full amount of the money payable has not been received by the Investor Note Principal Paying Agent or the Investor Note Trustee on or prior to such date, it means the date on which, the full amount of such money having been so received, notice to that effect has been duly given to Noteholders in accordance with Investor Note Condition 11.

13. REPLACEMENT OF INVESTOR NOTES

If any Investor Note is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Investor Note Principal Paying Agent upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence and indemnity as the Investor Note Issuer may reasonably require. If any Investor Note is mutilated or defaced, it must be surrendered before a replacement will be issued. Following the issue of a replacement Investor Note the replaced mutilated or defaced Investor Note will be destroyed.

14. MEETINGS OF NOTEHOLDERS; MODIFICATIONS; WAIVER

14.1 Meetings of Noteholders

The Investor Note Trust Deed contains provisions for convening meetings of Noteholders of each Class to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of such Noteholders of a modification of the Investor Notes of such Class (including these Investor Note Conditions) or the provisions of any of the Investor Note Transaction Documents, provided that no modification of certain terms which would have the effect of, *inter alia*, postponing the maturity of such Investor Notes or the dates for payment of interest thereon, reducing or cancelling the principal amount of, or interest on, or varying the method of calculating the rate of interest on such Investor Notes or any amount payable on redemption of such Investor Notes, in each case, which would result in a reduction in such amount received under the Investor Notes, changing the currency of payment of the Investor Notes or modifying the Events of Default (any such modification being referred to below as a "**Investor Note Basic Terms Modification**") will be effective unless the Investor Note Basic Terms Modification is sanctioned by an Extraordinary Resolution of the Noteholders of the relevant Class as described below.

No Extraordinary Resolution to approve an Investor Note Basic Terms Modification that is passed by the holders of one Class of Investor Notes will be effective unless it is sanctioned by an Extraordinary Resolution of each of the other Classes of Investor Notes then outstanding (who may act together in a joint meeting for that purpose). No Extraordinary Resolution passed by the Noteholders of one Class to approve any matter other than an Investor Note Basic Terms Modification will be effective unless (i) the Investor Note Trustee is of the opinion that it will not be materially prejudicial to the interests of the holders of each other Class of Investor Notes then outstanding or (ii) it is sanctioned by an Extraordinary Resolution of the holders of each other Class of Investor Notes then outstanding (who may act together in a joint meeting for the purpose), except that, if the holders of any Class of the Investor Notes then outstanding, having been invited to sanction such an Extraordinary Resolution, fail for want of a quorum to vote on an Extraordinary Resolution to that effect, such holders will be deemed to have sanctioned the Extraordinary Resolution.

The quorum at any meeting of Noteholders of any Class for passing an Extraordinary Resolution will be two or more persons present in person holding or representing in aggregate not less than $66\frac{2}{3}$ % of the outstanding principal amount of the Investor Notes of the relevant Class or, at any adjourned meeting, two or more persons present in person holding or representing in aggregate not less than $33\frac{1}{3}$ % of the outstanding principal amount of the Investor Notes of the relevant Class except that, at any meeting the business of which includes the sanctioning of an Investor Note Basic Terms Modification, the necessary quorum for passing an Extraordinary Resolution will be two or more persons present in person holding or representing in aggregate not less than 75% of the outstanding principal amount of the Investor Notes of the relevant Class, or in the case of any adjourned such meeting two or more persons present in person holding or representing in aggregate not less than 50% of the outstanding principal amount of the Investor Notes of the relevant Class. An Extraordinary Resolution passed at any meeting of Noteholders of any Class will be binding on all Noteholders of such Class, whether or not they are present at the meeting. The majority required for an Extraordinary Resolution will be not less than 75% of the votes cast thereon.

A resolution in writing signed by or on behalf of the holders of not less than 95% in principal amount of the Investor Notes of any Class who for the time being are entitled to receive notice of a meeting of Noteholders under the Investor Note Trust Deed will take effect as if it were an Extraordinary Resolution of the Noteholders of such Class. Such a resolution in writing may be contained in one document or in several documents in substantially the same form, each signed by or on behalf of one or more of the Noteholders of such Class.

14.2 Waiver and Amendment

The Investor Note Trustee may, without the consent of the Noteholders, but only if in its opinion the interests of the Noteholders will not be materially prejudiced, determine that any Investor Note Event of Default will not be treated as such, provided always that the Investor Note Trustee will not exercise any such powers in contravention of any express direction given by an Extraordinary Resolution of the holders of the Most Senior Class of Investor Notes then outstanding. Any such determination will be binding on the Noteholders and, if the Investor Note Trustee so requires, will be notified to the Noteholders as soon as practicable thereafter. The Investor Note Trustee may also, without the consent of the Noteholders, agree to (i) any modification (other than an Investor Note Basic Terms Modification) of, or to the waiver or authorisation of any breach or proposed breach of, the Investor Notes (including these Investor Note Conditions) or any of the Transaction Documents, provided that the Investor Note Trustee is of the opinion that such modification, waiver or authorisation will not be materially prejudicial to the interests of the Noteholders, and (ii) any modification of the Investor Notes (including these Investor Note Conditions) or any of the Transaction Documents, which in the opinion of the Investor Note Trustee, is of a formal, minor or technical nature or to correct a manifest error or an error which is, in the opinion of the Investor Note Trustee, proven. If the Investor Note Trustee is of the opinion that such modification (other than an Investor Note Basic Terms Modification), waiver or authorisation will be materially prejudicial to the interests of the Noteholders, the Investor Note Trustee shall agree to such modification, waiver or authorisation only if directed by the holders of more than 60% of the outstanding principal amount of the Investor Notes.

14.3 Entitlement of the Investor Note Trustee

In connection with the exercise of its powers, trusts, authorities or discretions (including but not limited to those in relation to any proposed waiver, authorisation, determination or agreement as mentioned above) the Investor Note Trustee will not have regard to the consequences of such exercise for individual Noteholders, resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory, and the Investor Note Trustee will not be entitled to require from the Investor Note Issuer, nor will any Noteholder be entitled to claim from the Investor Note Issuer or the Investor Note Trustee, any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

15. CONTRACT (RIGHTS OF THIRD PARTIES) ACT 1999

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of the Investor Notes, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

16. GOVERNING LAW AND JURISDICTION

The Investor Notes, the Investor Note Trust Deed and the Investor Note Agency Agreement will be governed by, and construed in accordance with, English law except for Investor Note Condition 3(i) and the provisions of Clause 6(A)(i) of the Investor Note Trust Deed which will be governed by, and construed in accordance with, Italian law.

The Investor Note Issuer has in the Investor Note Trust Deed submitted to the jurisdiction of the courts of England for all purposes in relation to the Investor Notes, the Investor Note Agency Agreement and the Investor Note Trust Deed (except that for the purposes of Clause 6(A)(i) of the Investor Note Trust Deed, the Investor Note Issuer has submitted to the jurisdiction of the courts of Milan, Italy (*Foro di Milano*)), and in relation thereto has appointed SFM Corporate Services Limited of 35 Great St. Helen's, London EC3A 6AP, as its agent to receive service of process on its behalf.

TERMS AND CONDITIONS OF THE CF INTERMEDIATE NOTES

*The following is the entire text of the terms and conditions of the CF Intermediate Notes. All capitalised words and expressions set out below relate only to this section of this Offering Circular and words and expressions otherwise defined in this Offering Circular, including the "Glossary of Terms" shall not apply to this section. References to the "**holder**" or to the "**Noteholder**" of a Class A Note, a Class B Note or a Class C Note or to a Class A Noteholder, a Class B Noteholder or a Class C Noteholder are to the ultimate owners of the Class A Notes, the Class B Notes and the Class C Notes (each as defined below), as the case may be, issued in bearer and dematerialised form and evidenced as book entries with Monte Titoli S.p.A. ("**Monte Titoli**") in accordance with the provisions of (i) Article 28 of Legislative Decree No. 213 of 24 June 1998 and (ii) Resolution No. 11768 of 23 December 1998 of the Commissione Nazionale per le Società e la Borsa ("**CONSOB**") as subsequently amended, as further amended from time to time.*

Exhibit 1 to the CF Intermediate Notes, setting out the "Rules of the Organisation of the Noteholders", is not reproduced here.

The Euro 563,985,000 Class A Asset Backed Floating Rate Notes due March 2038 (the "**Class A Notes**"), Euro 24,000,000 Class B Asset Backed Floating Rate Notes due March 2038 (the "**Class B Notes**") and together with the Class A Notes, the "**Senior Notes**"), Euro 346,941 Class C1 Asset Backed Floating Rate Notes due March 2038 (the "**Class C1 Notes**"), Euro 266,199 Class C2 Asset Backed Floating Rate Notes due March 2038 (the "**Class C2 Notes**"), Euro 231,891 Class C3 Asset Backed Floating Rate Notes due March 2038 (the "**Class C3 Notes**"), Euro 314,783 Class C4 Asset Backed Floating Rate Notes due March 2038 (the "**Class C4 Notes**"), Euro 684,797 Class C5 Asset Backed Floating Rate Notes due March 2038 (the "**Class C5 Notes**"), Euro 416,681 Class C6 Asset Backed Floating Rate Notes due March 2038 (the "**Class C6 Notes**"); Euro 189,192 Class C7 Asset Backed Floating Rate Notes due March 2038 (the "**Class C7 Notes**"), Euro 504,809 Class C8 Asset Backed Floating Rate Notes due March 2038 (the "**Class C8 Notes**"), Euro 422,567 Class C9 Asset Backed Floating Rate Notes due March 2038 (the "**Class C9 Notes**"), Euro 718,090 Class C10 Asset Backed Floating Rate Notes due March 2038 (the "**Class C10 Notes**"), Euro 241,183 Class C11 Asset Backed Floating Rate Notes due March 2038 (the "**Class C11 Notes**"), Euro 124,750 Class C12 Asset Backed Floating Rate Notes due March 2038 (the "**Class C12 Notes**"), Euro 297,187 Class C13 Asset Backed Floating Rate Notes due March 2038 (the "**Class C13 Notes**"), Euro 1,366,229 Class C14 Asset Backed Floating Rate Notes due March 2038 (the "**Class C14 Notes**"), Euro 196,554 Class C15 Asset Backed Floating Rate Notes due March 2038 (the "**Class C15 Notes**"), Euro 583,173 Class C16 Asset Backed Floating Rate Notes due March 2038 (the "**Class C16 Notes**"), Euro 540,106 Class C17 Asset Backed Floating Rate Notes due March 2038 (the "**Class C17 Notes**"), Euro 208,202 Class C18 Asset Backed Floating Rate Notes due March 2038 (the "**Class C18 Notes**"), Euro 385,613 Class C19 Asset Backed Floating Rate Notes due March 2038 (the "**Class C19 Notes**"), Euro 1,230,192 Class C20 Asset Backed Floating Rate Notes due March 2038 (the "**Class C20 Notes**"), Euro 356,599 Class C21 Asset Backed Floating Rate Notes due March 2038 (the "**Class C21 Notes**"), Euro 477,656 Class C22 Asset Backed Floating Rate Notes due March 2038 (the "**Class C22 Notes**"), Euro 557,942 Class C23 Asset Backed Floating Rate Notes due March 2038 (the "**Class C23 Notes**"), Euro 285,351 Class C24 Asset Backed Floating Rate Notes due March 2038 (the "**Class C24 Notes**") and Euro 938,150 Class C25 Asset Backed Floating Rate Notes due March 2038 (the "**Class C25 Notes**") and together with the Class C1 Notes, the Class C2 Notes, the Class C3 Notes, the Class C4 Notes, the Class C5 Notes, the Class C6 Notes, the Class C7 Notes, the Class C8 Notes, the Class C9 Notes, the Class C10 Notes, the Class C11 Notes, the Class C12 Notes, the Class C13 Notes, the Class C14 Notes, the Class C15 Notes, the Class C16 Notes, the Class C17 Notes, the Class C18 Notes, the Class C19 Notes, the Class C20 Notes, the Class C21 Notes, the Class C22 Notes, the Class C23 Notes, the Class C24 Notes, the "**Class C Notes**"; the Class C Notes and the Senior Notes, the "**Notes**") are issued by Credico Finance 6 S.r.l. (the "**Issuer**") on 8 June 2006 (the "**Issue Date**") in the context of a securitisation transaction (the "**Transaction**") to finance the purchase of twenty-five portfolios of monetary claims and connected rights arising under the mortgage loans (collectively the

"Portfolios" and the "Claims", respectively) originated by Banca di Credito Cooperativo dell'Alta Brianza - Alzate Brianza - Società Cooperativa ("**BCC Alta Brianza**"), Banca di Credito Cooperativo dell'Alto Reno - Società Cooperativa ("**BCC Alto Reno**"), Bancasciano Credito Cooperativo Soc. Coop. ("**BCC Asciano**"), Banca di Credito Cooperativo della Bassa Friulana Società Cooperativa ("**BCC Bassa Friulana**"), Credito Cooperativo Bolognese - Credibo - S.C. ("**BCC Credibo**"), Cassa Rurale ed Artigiana di Brendola Credito Cooperativo - Società Cooperativa ("**BCC Brendola**"), Banca di Credito Cooperativo di Campiglia dei Berici Società Cooperativa ("**BCC Campiglia dei Berici**"), Cassa Rurale ed Artigiana di Cantù Banca di Credito Cooperativo Soc. Coop. ("**BCC Cantù**"), Banca di Credito Cooperativo di Cartura SCRL ("**BCC Cartura**"), Banca San Giorgio e Valle Agno Credito Cooperativo di Fara Vicentino ("**BCC San Giorgio**"), Banca di Credito Cooperativo di Fiumicello ed Aiello del Friuli società cooperativa ("**BCC Fiumicello**"), Banca di Credito Cooperativo di Gaudiano di Lavello Soc. Cooperativa ("**BCC Gaudiano di Lavello**"), Banca di Credito Cooperativo di Macerone Società cooperativa ("**BCC Macerone**"), Banca della Marca – Credito Cooperativo – Società Cooperativa ("**BCC Marca**"), Banca di Credito Cooperativo del Metauro Società Cooperativa ("**BCC Metauro**"), Banca di Monastier e del Sile - Credito Cooperativo Società Cooperativa ("**BCC Monastier e del Sile**"), Banca Monteriggioni Credito Cooperativo Soc. Coop. ("**BCC Monteriggioni**"), Banca di Credito Cooperativo di Ostra e Morro d'Alba S.Coop. ("**BCC Ostra e Morro d'Alba**"), Banca di Credito Cooperativo di Pergola - Società Cooperativa ("**BCC Pergola**"), Banca Credito Cooperativo Pordenonese ("**BCC Pordenonese**"), Banca di Credito Cooperativo di Pratola Peligna Società Cooperativa ("**BCC Pratola**"), Banca di Credito Cooperativo di Sesto San Giovanni Società Cooperativa ("**BCC Sesto San Giovanni**"), Banca di Credito Cooperativo di Signa Società cooperativa ("**BCC Signa**"), Banca Suasa - Credito Cooperativo - Società Cooperativa ("**BCC Suasa**"), Credito Trevigiano Banca di Credito Cooperativo Società cooperativa ("**BCC Trevigiano**" and together with BCC Alta Brianza, BCC Alto Reno, BCC Asciano, BCC Bassa Friulana, BCC Credibo, BCC Brendola, BCC Campiglia dei Berici, BCC Cantù, BCC Cartura, BCC San Giorgio, BCC Fiumicello, BCC Gaudiano di Lavello, BCC Macerone, BCC Marca, BCC Metauro, BCC Monastier e del Sile, BCC Monteriggioni, BCC Ostra e Morro d'Alba, BCC Pergola, BCC Pordenonese, BCC Pratola Peligna, BCC Sesto San Giovanni, BCC Signa and BCC Suasa, the "**Originators**"), pursuant to Article 1 of Italian Law No. 130 of 30 April 1999 ("*Disposizioni sulla cartolarizzazione dei crediti*") ("**Law 130**" or the "**Securitisation Law**").

The Portfolios have been purchased by the Issuer pursuant to twenty-five transfer agreements entered into on 31 May 2006, each between the Issuer and an Originator (each a "**Transfer Agreement**" and together the "**Transfer Agreements**"). Representations and warranties in respect of the Portfolios have been made by the Originators in favour of the Issuer under a warranty and indemnity agreement entered into between the Issuer and the Originators on 31 May 2006 (the "**Warranty and Indemnity Agreement**"). In these Conditions, references to the "**Senior Noteholders**" are to the beneficial owners of the Senior Notes, references to the "**Class A Noteholders**" are to the beneficial owners of the Class A Notes, references to the "**Class B Noteholders**" are to the beneficial owners of the Class B Notes, references to the "**Class C1 Noteholders**", the "**Class C2 Noteholders**" the "**Class C3 Noteholders**", the "**Class C4 Noteholders**", the "**Class C5 Noteholders**", the "**Class C6 Noteholders**", the "**Class C7 Noteholders**", the "**Class C8 Noteholders**", the "**Class C9 Noteholders**", the "**Class C10 Noteholders**", the "**Class C11 Noteholders**", the "**Class C12 Noteholders**", the "**Class C13 Noteholders**", the "**Class C14 Noteholders**", the "**Class C15 Noteholders**", the "**Class C16 Noteholders**", the "**Class C17 Noteholders**", the "**Class C18 Noteholders**", the "**Class C19 Noteholders**", the "**Class C20 Noteholders**", the "**Class C21 Noteholders**", the "**Class C22 Noteholders**", the "**Class C23 Noteholders**", the "**Class C24 Noteholders**" and the "**Class C25 Noteholders**" are to the beneficial owners of respectively the Class C1 Notes, the Class C2 Notes, the Class C3 Notes, the Class C4 Notes, the Class C5 Notes, the Class C6 Notes, the Class C7 Notes, the Class C8 Notes, the Class C9 Notes, the Class C10 Notes, the Class C11 Notes, the Class C12 Notes, the Class C13 Notes, the Class C14 Notes, the Class C15 Notes, the Class C16 Notes, the Class C17 Notes, the Class C18 Notes, the Class C19 Notes, the Class C20 Notes, the Class C21 Notes, the Class C22 Notes, the Class C23 Notes, the Class C24 Notes and the Class C25 Notes; references to the "**Class C Noteholders**" are to the beneficial owners of the Class C

Notes collectively and references to the "**Noteholders**" are to the beneficial owners of the Senior Notes and the Class C Notes.

The principal source of payment of amounts due under the Notes will be collections and recoveries made in respect of the Portfolios (the "**Collections**"). By operation of Article 3 of Law 130, the Issuer's title to the Portfolios and to all the amounts deriving therefrom (the "**Issuer's Rights**") will be segregated from all the other assets of the Issuer and amounts deriving therefrom will be available, both before and after a winding-up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders and the Other Issuer Creditors (as defined below) in accordance with the applicable Order of Priority (as set out in Condition 4). The Issuer's Rights may not be seized or attached in any form by the creditors of the Issuer other than the Noteholders, the Other Issuer Creditors and any other third party creditors in respect of any taxes, costs, fees or expenses incurred by the Issuer in relation to the Transaction until full redemption or cancellation of the Notes and full discharge by the Issuer of its obligations *vis-à-vis* the Other Issuer Creditors.

Under a servicing agreement entered into on 31 May 2006 (the "**Servicing Agreement**") between the Issuer and each Originator as a servicer of its respective Portfolio (collectively the "**Servicers**"), each Servicer agreed to provide the Issuer with administration, collection and recovery services in respect of such Portfolio and shall verify that the payment services to be provided in relation to the Transaction comply with Italian law.

Under a subscription agreement entered into on 1 June 2006 between the Issuer, the Originators, the Representative of the Noteholders and the Irish Company (the "**Senior Notes Subscription Agreement**"), the latter shall subscribe and pay for the Senior Notes upon the terms and subject to the conditions thereof and shall appoint Deutsche Trustee Company Limited to act as the representative of the Senior Noteholders (the "**Representative of the Noteholders**").

Under a subscription agreement entered into on 1 June 2006 between the Issuer, the Representative of the Noteholders and the Originators (the "**Class C Notes Subscription Agreement**" and together with the Senior Notes Subscription Agreement, the "**Subscription Agreements**"), BCC Alta Brianza shall subscribe and pay for the Class C1 Notes, BCC Alto Reno shall subscribe and pay for the Class C2 Notes, BCC Asciano shall subscribe and pay for the Class C3 Notes, BCC Bassa Friulana shall subscribe and pay for the Class C4 Notes, BCC Credibo shall subscribe and pay for the Class C5 Notes, BCC Brendola shall subscribe and pay for the Class C6 Notes, BCC Campiglia dei Berici shall subscribe and pay for the Class C7 Notes, BCC Cantù shall subscribe and pay for the Class C8 Notes, BCC Cartura shall subscribe and pay for the Class C9 Notes, BCC San Giorgio shall subscribe and pay for the Class C10 Notes, BCC Fiumicello shall subscribe and pay for the Class C11 Notes, BCC Gaudiano di Lavello shall subscribe and pay for the Class C12, BCC Macerone shall subscribe and pay for the Class C13 Notes, BCC Marca shall subscribe and pay for the Class C14 Notes, BCC Metauro shall subscribe and pay for the Class C15 Notes, BCC Monastier e del Sile shall subscribe and pay for the Class C16 Notes, BCC Monteriggioni shall subscribe and pay for the Class C17 Notes, BCC Ostra e Morro d'Alba shall subscribe and pay for the Class C18 Notes, BCC Pergola shall subscribe and pay for the Class C19 Notes, BCC Pordenonese shall subscribe and pay for the Class C20 Notes, BCC Pratola Peligna shall subscribe and pay for the Class C21 Notes, BCC Sesto San Giovanni shall subscribe and pay for the Class C22 Notes, BCC Signa shall subscribe and pay for the Class C23 Notes, BCC Suasa shall subscribe and pay for the Class C24 Notes and BCC Trevigiano shall subscribe and pay for the Class C25 Notes; each of the Originators shall appoint the Representative of the Noteholders to act as the representative of the Class C Noteholders.

Under a cash administration and agency agreement to be entered into on or prior to the Issue Date (the "**Cash Administration and Agency Agreement**") between the Issuer, the Representative of the Noteholders, the Servicers, Deutsche Bank AG London as principal paying agent (the "**Principal Paying Agent**"), agent bank (the "**Agent Bank**"), computation agent (the "**Computation Agent**"), English transaction bank (the "**English Transaction Bank**") and cash manager (the "**Cash Manager**"), Deutsche Bank S.p.A. as Italian paying agent (the "**Italian Paying Agent**" and together

with the Principal Paying Agent, the "**Paying Agents**") and transaction bank (the "**Transaction Bank**") and ICCREA Banca S.p.A. as operating bank (the "**Operating Bank**"): (i) the Principal Paying Agent and the Italian Paying Agent shall carry out certain services in relation to the Notes, including arranging for the payment of principal and interest to the Monte Titoli Account Holders; (ii) the Agent Bank shall calculate the amount of interest payable on the Notes; (iii) the Computation Agent shall provide the Issuer with other calculations in respect of the Notes and will set out, in a payment report (the "**Payment Report**"), the payments due to be made under the Notes on each Payment Date; and (iv) the Operating Bank, the Transaction Bank, the English Transaction Bank and the Cash Manager shall provide certain cash administration and investment services in respect of the amounts standing, from time to time, to the credit of the relevant Accounts.

Under a corporate services agreement to be entered into on or prior to the Issue Date (the "**Corporate Services Agreement**") between the Issuer and FIS Fiduciaria Generale S.p.A. as corporate services provider (the "**Corporate Services Provider**") the Corporate Services Provider shall provide the Issuer with certain corporate administration services.

Under a further servicing agreement to be entered into on or prior the Issue Date between the Issuer, the Back-up Servicer and the Servicers (the "**Back-up Servicing Agreement**"), ICCREA Banca has agreed that, should any of the Servicers cease to act as servicer of the relevant Portfolio, it will itself service such Portfolio on the same terms as provided for in the Servicing Agreement.

Under a liquidity facility agreement to be entered into on or prior to the Issue Date (the "**Liquidity Agreement**"), between the Issuer and the Originators as liquidity providers (each a "**Liquidity Provider**"), the Liquidity Providers shall make revolving facilities available to the Issuer in a maximum aggregate amount determined from time to time in accordance with the provisions of the Liquidity Agreement.

Under the terms of a limited recourse loan agreement to be entered into on or prior to the Issue Date (the "**Limited Recourse Loan Agreement**"), between the Issuer, the Originators as limited recourse loan providers (each a "**Limited Recourse Loan Provider**") and the Transaction Bank, each Limited Recourse Loan Provider will grant the Issuer a limited recourse loan (the "**Limited Recourse Loan**") up to a specified amount by means of advancing Italian treasury bonds (*titoli di Stato*) (the "**Securities**") to the Issuer.

Under two swap transactions to be entered into on or prior to the Issue Date (the "**Swap Transactions**") between the Issuer and Société Générale as swap counterparty (the "**Swap Counterparty**"), the Issuer has hedged its potential interest rate exposure in relation to its floating rate obligations under the Senior Notes.

Pursuant to a deed of pledge to be entered into on or prior to the Issue Date (the "**Deed of Pledge**") between the Issuer, the Noteholders, acting through the Representative of the Noteholders and the Other Issuer Creditors (the "**Pledgees**"), the Issuer will grant the Pledgees: (i) a pledge over all the monetary contractual claims arising from the Transaction Documents (as defined below) (excluding the Claims and the rights arising from the Transfer Agreements, the Servicing Agreement, the Back-up Servicing Agreement and the claims for the restitution of the positive balance standing from time to time to the credit of the Accounts opened pursuant to the Cash Administration and Agency Agreement; (ii) a pledge over the positive balance of the Accounts (other than the Expenses Accounts, the Quota Capital Account, the Investment Account (each as described below) and the amounts payable to the Swap Counterparty in relation to a Tax Credit and the amounts standing to the credit of the Collateral Account to the extent provided for by the Deed of Pledge) and (iii) a pledge over the Securities.

Under an intercreditor agreement to be entered into on or prior to the Issue Date (the "**Intercreditor Agreement**") between the Issuer, the Representative of the Noteholders (on its own behalf and as agent for the Noteholders), the Corporate Services Provider, the Agent Bank, the Transaction Bank,

the English Transaction Bank, the Operating Bank, the Computation Agent, the Servicers, the Swap Counterparty, the Principal Paying Agent, the Italian Paying Agent, the Liquidity Providers, the Cash Manager, the Limited Recourse Loan Providers, the Irish Company and the Originators, the application of the Single Portfolio Available Funds and the Issuer Available Funds (each as defined below) will be set out. The Representative of the Noteholders will be appointed to exercise certain rights in relation to the Portfolios and in particular will be conferred the exclusive right (and the necessary powers) to make demands, give notices, exercise or refrain from exercising rights and take or refrain from taking actions (also through the Servicers) in relation to the recovery of the Claims in the name and on behalf of the Issuer.

Under a deed of charge governed by English law to be entered into on or prior to the Issue Date (the "**Deed of Charge**"), the Issuer will assign and charge in favour of the Security Trustee for itself and on trust for the Noteholders and the Other Issuer Creditors, all of the Issuer's rights, title, interest and benefit (present and future) in, to and under the Swap Agreement and all the amounts from time to time standing to the credit of the Investment Account.

Under a quotaholders' agreement to be entered into on or prior to the Issue Date between Stichting Melograno 3 and Stichting Melograno 4 (collectively the "**Quotaholders**"), the Issuer and the Representative of the Noteholders (the "**Quotaholders' Agreement**") certain rules will be set out in relation to the corporate management of the Issuer.

The Issuer has established with the Transaction Bank the following accounts: **(i)** an account (the "**Payments Account**") into which, *inter alia*, all amounts received by the Issuer under the Transaction Documents (other than amounts paid in respect of the Claims) will be credited and out of which all payments shall be made according to the applicable Order of Priority and the relevant Payments Report; **(ii)** an account (the "**Collections and Recoveries Account**") into which, *inter alia*, all amounts standing to the credit of each Transitory Collection and Recoveries Account will be credited; **(iii)** an account (the "**Principal Accumulation Account**") into which, *inter alia*, on each Payment Date prior to the Payment Date falling on December 2007 any amount payable in respect of principal on Class A Notes, Class B Notes and Class C Notes respectively shall be paid; and **(iv)** twenty-five securities accounts (the "**Securities Accounts**") into which, *inter alia*, the Relevant Securities shall be deposited pursuant to the Limited Recourse Loan Agreement.

The Issuer may establish the following accounts with the Transaction Bank: **(i)** an account (the "**Reserve Account**") into which, *inter alia*, the Reserve Amount, if any, shall be paid; **(ii)** twenty-five accounts (the "**Principal Amortisation Reserve Accounts**") identified with respect to each Portfolio into which, *inter alia*, the Principal Amortisation Reserve Amounts, if any, shall be paid; **(iii)** twenty-five accounts (the "**Single Portfolio Reserve Accounts**") identified with respect to each Portfolio into which, *inter alia*, the Single Portfolio Reserve Amounts, if any, shall be paid; and **(iv)** twenty-five accounts (the "**Liquidity Reserve Accounts**") identified with respect to each Liquidity Provider into which, *inter alia*, the amounts due under the Liquidity Agreement if any, shall be paid.

The Issuer has established with the English Transaction Bank an account (the "**Investment Account**") into which, *inter alia*, all amounts standing to the credit of the Accounts (other than the Transitory Collections and Recoveries Accounts, the Expenses Account, the Securities Accounts and the Quota Capital Account) will be transferred for the purpose of investment in Eligible Investments.

The Issuer has established the following accounts with the Operating Bank: **(i)** twenty-five accounts (the "**Transitory Collections and Recoveries Accounts**") identified with respect to each Portfolio into which, *inter alia*, all amounts received by the Issuer under the Portfolios from the relevant Servicer shall be paid; **(ii)** an account (the "**Expenses Account**") into which, *inter alia*, the Retention Amount shall be paid and out of which certain payments with respect to the Issuer's corporate expenses and to the Irish Company's expenses (specifically the expenses described under item First (iii) of each Order of Priority) shall be made; and **(iii)** an account (the "**Quota Capital Account**") into which, *inter alia*, the sums contributed by the Quotaholders will be credited and held.

These Conditions include summaries of, and are subject to, the detailed provisions of the Transfer Agreements, the Warranty and Indemnity Agreement, the Servicing Agreement, the Liquidity Agreement, the Intercreditor Agreement, the Corporate Services Agreement, the Subscription Agreements, the Swap Agreement, the Cash Administration and Agency Agreement, the Limited Recourse Loan Agreement, the Deed of Pledge, the Quotaholders' Agreement and the Deed of Charge (and together with these Conditions, the "**Transaction Documents**"). Copies of the Transaction Documents are available for inspection during normal business hours at the registered office of the Representative of the Noteholders.

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

The rights and powers of the Noteholders may only be exercised in accordance with the rules of the organisation of the Noteholders (respectively, the "**Rules of the Organisation of the Noteholders**" and the "**Organisation of the Noteholders**") attached hereto and which form an integral and substantive part of these Conditions.

The Recitals and the Exhibits hereto constitute an integral and essential part of these Conditions and shall have the force of and shall take effect as covenants by the Issuer.

In these Conditions:

"**Acceleration Order of Priority**" means the order in which the Issuer Available Funds shall be applied on each Payment Date following the service of a Trigger Notice in accordance with the Conditions and the Intercreditor Agreement.

"**Accounts**" means collectively the Payments Account, the Collections and Recoveries Account, the Transitory Collections and Recoveries Accounts, the Securities Accounts, the Principal Accumulation Account, the Investment Account, the Principal Amortisation Reserve Accounts, the Expenses Account, the Reserve Account, the Liquidity Reserve Accounts, the Quota Capital Account, the Collateral Account and the Single Portfolio Reserve Accounts.

"**Advance**" means any advance made by any of the Liquidity Providers to the Issuer pursuant to the Liquidity Agreement.

"**Available Redemption Funds**" means collectively the Available Class A Notes Redemption Funds and the Available Class B Notes Redemption Funds.

"**Available Class A Notes Redemption Funds**" means, with respect to any Payment Date, the difference between:

- (i) the Issuer Available Funds in respect of such Payment Date; and
- (ii) the aggregate of all payments under items *One* to *Eleven* of the Acceleration Order of Priority (as applicable) which are required to be made by the Issuer on such Payment Date.

"**Available Class B Notes Redemption Funds**" means, with respect to any Payment Date, the difference between:

- (i) the Issuer Available Funds in respect of such Payment Date; and

- (ii) the aggregate of all payments under items *One to Twelve* of the Acceleration Order of Priority (as applicable) which are required to be made by the Issuer on such Payment Date.

"**BCC Alta Brianza**" means Banca di Credito Cooperativo dell'Alta Brianza - Alzate Brianza - Società Cooperativa.

"**BCC Alto Reno**" means Banca di Credito Cooperativo dell'Alto Reno - Società Cooperativa.

"**BCC Asciano**" means Bancasciano Credito Cooperativo Soc. Coop..

"**BCC Bassa Friulana**" means Banca di Credito Cooperativo della Bassa Friulana Società Cooperativa;

"**BCC Brendola**" means Cassa Rurale ed Artigiana di Brendola Credito Cooperativo - Società Cooperativa.

"**BCC Campiglia dei Berici**" means Banca di Credito Cooperativo di Campiglia dei Berici Società Cooperativa.

"**BCC Cantù**" means Cassa Rurale ed Artigiana di Cantù Banca di Credito Cooperativo Soc. Coop..

"**BCC Cartura**" means Banca di Credito Cooperativo di Cartura SCRL.

"**BCC Credibo**" means Credito Cooperativo Bolognese - Credibo – S.C..

"**BCC Fiumicello**" means Banca di Credito Cooperativo di Fiumicello ed Aiello del Friuli Società cooperativa.

"**BCC Gaudio di Lavello**" means Banca di Credito Cooperativo di Gaudio di Lavello Soc. Cooperativa.

"**BCC Macerone**" means Banca di Credito Cooperativo di Macerone Società cooperativa.

"**BCC Marca**" means Banca della Marca – Credito Cooperativo – Società Cooperativa.

"**BCC Metauro**" means Banca di Credito Cooperativo del Metauro Società Cooperativa.

"**BCC Monastier e del Sile**" means Banca di Monastier e del Sile - Credito Cooperativo Società Cooperativa.

"**BCC Monteriggioni**" means Banca Monteriggioni Credito Cooperativo Soc. Coop..

"**BCC Mortgages**" means BCC Mortgages PLC, a company incorporated as a public limited liability company under the laws of Ireland, with registered office at Trinity House, Charleston Ranelagh, Dublin 6, Ireland (also referred as to the "**Irish Company**").

"**BCC Ostra e Morro d'Alba**" means Banca di Credito Cooperativo di Ostra e Morro d'Alba S.Coop..

"**BCC Pergola**" means Banca di Credito Cooperativo di Pergola - Società Cooperativa.

"**BCC Pordenonese**" means Banca di Credito Cooperativo Pordenonese.

"**BCC Pratola**" means Banca di Credito Cooperativo di Pratola Peligna Società Cooperativa.

"**BCC San Giorgio**" means Banca San Giorgio e Valle Agno Credito Cooperativo di Fara Vicentino.

"**BCC Sesto San Giovanni**" means Banca di Credito Cooperativo di Sesto San Giovanni Società Cooperativa.

"**BCC Signa**" means Banca di Credito Cooperativo di Signa Società cooperativa.

"**BCC Suasa**" means Banca Suasa - Credito Cooperativo - Società Cooperativa.

"**BCC Trevigiano**" means Credito Trevigiano Banca di Credito Cooperativo Società cooperativa.

"**Borrower**" means the debtors under the Claims and their transferors, assignees and successors.

"**Business Day**" means any day on which banks are open for business in London, in Luxembourg and in Milan and on which the Trans-European Automated Real Time Gross Transfer System (or any successor thereto) is open.

"**Calculation Date**" means the date falling ten calendar days before each Payment Date.

"**CCF**" means Cassa Centrale Finance S.r.l., a limited liability company incorporated under Italian law with registered office at Largo Chigi 5, Roma, Italian tax no. 08868341002, enrolled in the register held by Ufficio Italiano Cambi pursuant to article 106 of the Banking Act with no. 37724, having as its exclusive corporate object to enter into securitisation transactions pursuant to article 3 of the Securitisation Law ("**CCF**").

"**CCF Notes**" means the notes issued under the CCF Securitisation.

"**CCF Securitisation**" means the mortgage loans securitisation structured by CCF and having its issue date on 8 June 2006.

"**Class A Disequilibrium Event**" has the meaning ascribed to it in Condition 4.2.

"**Class A Notes Principal Payment Amount**" means with respect to each Payment Date, the aggregate of all Single Portfolio Class A Notes Principal Payment Amounts.

"**Class B Disequilibrium Event**" has the meaning ascribed to it in Condition 4.2.

"**Class B Notes Principal Payment Amount**" means with respect to each Payment Date, the aggregate of all Single Portfolio Class B Notes Principal Payment Amounts.

"**Class B Notes Subordination Event**" as the meaning ascribed to it in Condition 4.6.

"**Class C Notes Aggregate Amount**" means the aggregate amount of the Class C Notes equal to Euro 11,884,837

"**Clearstream**" means Clearstream Banking, *Société Anonyme*.

"**Collection Date**" means 31 January, 30 April, 31 July and 31 October in each year.

"**Collection Period**" means each period starting on a Collection Date (exclusive) and ending on the following Collection Date (inclusive).

"**Collection Policy**" means, with respect to each Servicer, the collection policy applied by such Servicer in relation to its respective Portfolio.

"**Collections**" means all the amounts collected and/or recovered under the Claims on or after the Transfer Date and any amount received by the Issuer from the Servicers pursuant to the Servicing Agreement.

"**Consolidated Banking Act**" means Legislative Decree No. 385 of 1 September 1999 as subsequently amended.

"**Corresponding Irish Company Interest Period**" means (i) in relation to the Initial Interest Period, the period starting from (and including) the Issue Date and ending on (but excluding) 12 December 2006, and (ii) in relation to any other Interest Period, the Irish Company Interest Period which starts on an Irish Company Payment Date and ends on an Irish Company Payment Date falling respectively on the same year and month of the initial and final Payment Date of such Interest Period.

"**Criteria**" means collectively the General Criteria and the Specific Criteria.

"**Cross Collateral Order of Priority**" means the order in which the Issuer Available Funds shall be applied on each Payment Date following the service of a Cross Collateral Notice (and, for the avoidance of doubt prior to the service of a Trigger Notice) in accordance with the Conditions and the Intercreditor Agreement.

"**Defaulted Claim**" means a Claim which is classified as "in sofferenza" by the relevant Servicer pursuant to its respective Collection Policy and in compliance with the applicable rules 'Istruzioni di Vigilanza' of Banca d'Italia or a Claim which has at least, as the case may be: (i) 12 Unpaid Instalments in relation to Claims with monthly instalments; (ii) 6 Unpaid Instalments in relation to Claims with Instalments which are paid every two months; (iii) 5 Unpaid Instalments in relation to Claims with quarterly Instalments; (iv) 4 Unpaid Instalments in relation to Claims with Instalments which are paid every four months; (v) 3 Unpaid Instalments in case of Claims with semi-annual Instalments; and (vi) 1 Unpaid Instalment in case of Claims with annual Instalment, remained unpaid for at least 6 months following the due date of payment.

"**Default Ratio**" means with respect to any Payment Date, the ratio calculated as at the immediately preceding Collection Date between (i) the cumulative Outstanding Balance of all Claims which have become Defaulted Claims since the Valuation Date, and (ii) the Outstanding Principal of the Claims as at the Valuation Date.

"**Detrimental Event**" has the meaning ascribed to it in Condition 4.3.

"**Effective Date**" means 2 May 2006.

"**Eligible Institution**" means any depository institution organized under the laws of any State which is a member of the European Union or of the United States whose short-term unsecured, unsubordinated and unguaranteed debt obligations are rated at least P-1 by Moody's and A-1+ by S&P or, concerning S&P only, any credit institution whose short term rating for its unsecured and unsubordinated debt obligations is at least equal to A-1, provided that the aggregate value of all the sums credited to such credit institution(s) together with the aggregate value of Eligible Investments rated A-1 by S&P or deposited with such credit institution(s) should not exceed 20% of the Principal Amount Outstanding of the Notes and the long-term, unsecured and unsubordinated debt obligations are rated at least A1 by Moody's provided that (i) with respect to Deutsche Bank S.p.A., acting as Transaction Bank and Italian Paying Agent under the terms of the Cash Administration and Agency Agreement, it shall be deemed to be an Eligible Institution if: (a) its controlling parent company's short-term, unsecured and unsubordinated debt obligations are rated at least P-1 by Moody's and A-1+ by S&P or, concerning S&P only, at least A-1, provided that the aggregate value of all the sums credited to such credit institution together with the aggregate value of Eligible Investments rated A-1 by S&P or deposited with such credit institution should not exceed 20% of the Principal Amount Outstanding of the Notes and the long-term, unsecured and unsubordinated debt obligations are rated at least A1 by Moody's; (b) the shareholding held by its controlling parent company does not fall below 90 per cent.; (c) there are no material changes in the ownership structure of its controlling parent company which would result in the downgrading of the rating of any of the Investor Notes; and (d) the words "Deutsche Bank" are contained in its legal name unless the Rating Agencies confirm that the deletion of such

words does not affect the status of Eligible Institution and, in any case, only until such date when any of the Rating Agencies notifies the Issuer that Deutsche Bank S.p.A. no longer qualifies as an Eligible Institution.

"Eligible Investments" means (i) any Euro denominated senior (unsubordinated) debt security, bank account, deposit (including for the avoidance of doubt, time deposits) or other debt instrument issued by, or fully and unconditionally guaranteed on an unsecured and unsubordinated basis by, or if a bank account or deposit, held at or made with, an Eligible Institution and which, prior to the redemption in full of the Notes, has at any time a fixed principal amount at maturity at least equal to the principal amount invested and a maturity not exceeding the 2nd Business Day immediately preceding the Payment Date falling in the month immediately succeeding the Collection Period in respect of which such Eligible Investments were made and (ii) Euro denominated money market funds which are rated Aaa/MR1+ by Moody's and AAAM/AAAM-G by S&P and permit daily liquidation of investments, provided that (a) any eligible investments rated A-1 by S&P and shall have a maturity not greater than 30 days, and (b) in case of disposal of the eligible investment before maturity, the principal amount upon disposal is at least equal to the principal amount invested.

"Euroclear" means Euroclear Bank S.A./N. V., 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 subsequently amended.

"First Payment Date" means 7 December 2006.

"Final Maturity Date" means, in respect of the Senior Notes, the Payment Date falling on March 2038 and, in respect of the Class C Notes, the Payment Date falling on March 2038.

"First Collection Date" means 31 October 2006.

"First Collection Period" means the period starting on the First Collection Date (exclusive) and ending on the following Collection Date (inclusive).

"Initial Period" means the period of eighteen months and one day from the Issue Date.

"Instalment" means, with respect to each Claim, each monetary amount due from time to time by the relevant Borrower under the Claims.

"Interests" means any Interest Amount to be paid on the Senior Notes.

"Interest Accruals" means, with respect to each Portfolio, the interest accrued, not yet due and unpaid on the Claims as of the applicable Effective Date, which shall be payable on the First Payment Date and in the case of insufficient available funds on such date, on each following Payment Date, by the Issuer to each Originator under the relevant Transfer Agreement, equal to, with respect to Portfolio No. 1, Euro 36.515,90; with respect to Portfolio No. 2, Euro 25.639,78; with respect to Portfolio No. 3, Euro 32.006,04; with respect to Portfolio No. 4, Euro 36.644,98; with respect to Portfolio No. 5, Euro 69.209,23; with respect to Portfolio No. 6, Euro 33.207,60; with respect to Portfolio No. 7, Euro 16.574,93; with respect to Portfolio No. 8, Euro 13.071,97; with respect to Portfolio No. 9, Euro 39.634,39; with respect to Portfolio No. 10, Euro 52.435,80; with respect to Portfolio No. 11, Euro 31.100,49; with respect to Portfolio No. 12, Euro 20.623,42; with respect to Portfolio No. 13, Euro 28.228,07; with respect to Portfolio No. 14, Euro 134.883,99; with respect to Portfolio No. 15, Euro 35.985,35; with respect to Portfolio No. 16, Euro 57.098,85; with respect to Portfolio No. 17, Euro 47.431,54; with respect to Portfolio No. 18, Euro 52.680,62; with respect to Portfolio No. 19, Euro 93.868,25; with respect to Portfolio No. 20, Euro 141.361,68; with respect to Portfolio No. 21, Euro 25.889,60; with respect to Portfolio No. 22, Euro 50.084,71; with respect to

Portfolio No. 23, Euro 82.465,56; with respect to Portfolio No. 24, Euro 23.464,64 and with respect to Portfolio No. 25, Euro 81.850,87.

"Interest Determination Date" means, with respect to the Initial Interest Period, the date falling on the second Business Day immediately preceding the Issue Date and with respect to each subsequent Interest Period, the date falling on the second Business Day immediately preceding the Payment Date at the beginning of such Interest Period.

"Interest Instalment" means, in respect of each Claim, the interest component of each Instalment (excluding interest for late payments - *interessi di mora*).

"Interest Period" means each period from (and including) a Payment Date to (but excluding) the following Payment Date, provided that the first Interest Period (the **"Initial Interest Period"**) shall begin on (and include) the Issue Date and end on (but exclude) the First Payment Date.

"Investor Notes" means the notes issued by the Irish Company under the Irish Transaction.

"Investor Note Final Maturity Date" means 12 March, 2038.

"Irish Company" means BCC Mortgages PLC as issuer in the Irish Transaction.

"Irish Company Interest Period" means each period from (and including) an Irish Company Payment Date to (but excluding) the following Irish Company Payment Date.

"Irish Company Investor Note Final Maturity Date" means 12 March, 2038.

"Irish Company Liquidity Shortfall" means, any difference (if positive) between (i) the amounts to be paid by the Issuer and CCF to the Irish Company on a Payment Date as Senior Costs and Interests on the Senior Notes and as senior costs and interests relevant to the CCF Securitisation according to the relevant Payment Report and (ii) the actual amount credited on such Payment Date on the relevant accounts of the Irish Company in respect of such Payments.

"Irish Company Liquidity Shortfall Event" means any event upon which there is an Irish Company Liquidity Shortfall.

"Irish Company Payment Date" means the 12th day of December, March, June and September, in each year or, if any of such a date does not fall on a Business Day, the following Business Day, until the Investor Note Final Maturity Date.

"Irish Transaction" means the transaction structured by the Irish Company under which the Irish Company issues notes backed by the Senior Notes and the senior notes issued by CCF within the CCF Securitisation.

"Issue Date" means 8 June 2006.

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

- (i) all the Collections received by the Issuer through the Servicers, during the immediately preceding Collection Period;
- (ii) all other amounts transferred during the immediately preceding Collection Period from the relevant Transitory Collections and Recoveries Account into the Collections and Recoveries Account;
- (iii) only in respect of the Payment Date falling on December 2007, the aggregate of (1) any Available Class A Notes Redemption Funds, Available Class B Notes

- Redemption Funds and Single Series Available Class C Notes Redemption Funds, and (2) any Single Portfolio Class A Notes Principal Payment Amount and Single Portfolio Class B Notes Principal Payment Amount, paid into the Principal Accumulation Account on the preceding Payment Dates;
- (iv) all interest accrued on the amounts standing to the credit of each of the Accounts (except for the Expenses Account and the Quota Capital Account) and payments received under the Eligible Investments during the immediately preceding Collection Period;
 - (v) all amounts paid into the Principal Amortisation Reserve Accounts in the immediately preceding Payment Date;
 - (vi) all interest accrued on the amount from time to time standing to the credit of the Expenses Account during the immediately preceding Collection Period and paid into the same;
 - (vii) all amounts due and payable to the Issuer on such Payment Date under the terms of the Swap Agreement;
 - (viii) all amounts received from the Originators, if any, pursuant to the Warranty and Indemnity Agreement and/or the Transfer Agreements during the immediately preceding Collection Period;
 - (ix) all the amounts paid into the Payments Account during the immediately preceding Collection Period;
 - (x) (I) exclusively in respect of the first Payment Date on which the Cross Collateral Order of Priority applies or the Acceleration Order of Priority applies, all amounts paid into the Reserve Accounts in any preceding Payment Date; and thereafter (II) any amount paid into the Reserve Account in the preceding Payment Date;
 - (xi) all the interest accrued on the Securities and paid into the Payments Account during the immediately preceding Collection Period;
 - (xii) (I) exclusively in respect of the first Payment Date on which the Cross Collateral Order of Priority applies or the Acceleration Order of Priority applies, all amounts paid into the Single Portfolio Reserve Accounts in any preceding Payment Date and not yet utilized as Single Portfolio Available Funds or Issuer Available Funds;
 - (xiii) any proceeds paid to the Issuer resulting from any termination of the Swap Agreement only to the purpose of entering into a replacement Swap Agreement, and to the extent such proceeds exceed the cost of entering into a replacement Swap Agreement such excess may be utilised only to pay any shortfall under items *Eighth* or *Ninth* of the Cross Collateral Order of Priority or items *Ninth* or *Tenth* of the Acceleration Order of Priority. Provided that any amount under this item could be fully utilised if by doing so the Senior Notes will be fully redeemed on that Payment Date.
 - (xiv) until full repayment of the Senior Notes: (a) only in respect of payments ranking as *First, Second, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth* and *Eleventh* of the Acceleration Order of Priority and ranking as *First, Second, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth* and *Tenth* of the Cross Collateral Order of Priority, shall include (I) any Advances to be made to the Issuer with respect to such Payment Date in relation to any Negative Balance or, (II) up to an amount equal to the amount of

any Advances to be made to the Issuer with respect to such Payment Date, the proceeds on the sale of the Securities to be used alternatively to the Advances, in accordance with the terms of the Limited Recourse Loan Agreement; and

(b) in respect of payments ranking as *Twelfth*, *Thirteenth* and *Fourteenth* of the Acceleration Order of Priority and ranking as *Eleventh*, *Twelfth* and *Thirteenth* of the Cross Collateral Order of Priority, the difference (if positive) between the Advances available after making the payments under letter (a) above, and an amount equal to 1% of the Principal Amount Outstanding of the Senior Notes as at the day following the immediately preceding Payment Date. Provided that the Advances could be fully utilised if by doing so the Senior Notes will be fully redeemed on that Payment Date or on the Final Maturity Date,

but excluding: (i) any amount held by the Issuer which properly belongs to the Swap Counterparty in respect of any Tax Credit (as defined in the Swap Agreement) and payable to the Swap Counterparty pursuant to the Swap Agreement; (ii) prior to the occurrence of an Early Termination Date (as defined in the Swap Agreement) for the Swap Transactions, the amount (if any) standing to the credit of the account into which the collateral posted pursuant to the Swap Agreement is paid (the "**Collateral Account**"); and (iii) following the date on which the Swap Transactions are terminated, the amount standing to the credit of the Collateral Account (if any) which exceeds the termination amount (if any) that would have otherwise been payable by the Swap Counterparty to the Issuer had the collateral not been provided.

"**Law 239 Deduction**" means any withholding or deduction for or on account of "*imposta sostitutiva*" under Legislative Decree No. 239 of 1 April 1996 as amended by Italian Law No. 409 and No. 410 of 23 November 2001 as subsequently amended and supplemented.

"**Maximum Commitment Amount**" means the aggregate maximum amount of the revolving liquidity facility which is made available to the Issuer by the Liquidity Providers under the Liquidity Agreement which is equal to Euro 24,600,000.

"**Monte Titoli**" means Monte Titoli S.p.A..

"**Monte Titoli Account Holders**" means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Monte Titoli.

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

"**Mortgage**" means the mortgage securities created on the Real Estate Assets pursuant to Italian law in order to secure the Mortgage Loans.

"**Mortgage Loan**" means each loan, secured by a Mortgage, granted to a Borrower and classified as performing, the receivables in respect of which have been transferred by each of the Originators to the Issuer pursuant to the relevant Transfer Agreement, and "**Mortgage Loans**" means all of them.

"**Most Senior Class of Senior Notes**" (a) the Class A Notes; or (b) if no Class A Notes are then outstanding, the Class B Notes.

"**Negative Balance**" means: (1) with respect to any Payment Date (i) following the delivery of a Trigger Notice, (ii) in case of Redemption for Taxation, or (iii) in case of Optional Redemption, the difference, if positive, between (a) all amounts due to be paid by the Issuer on such Payment Date under items *One* to *Fifteen* (inclusive) of the Acceleration Order of Priority and (b) the Issuer Available Funds with respect to such Payment Date before any Advance to be granted to the Issuer by the Liquidity Providers under the Liquidity Agreement with respect to such Payment Date, and (2)

with respect to any Payment Date (i) following the delivery of a Cross Collateral Notice, the difference, if positive, between (a) all amounts due to be paid by the Issuer on such Payment Date under items *One* to *Fourteen* (inclusive) of the Cross Collateral Order of Priority and (b) the Issuer Available Funds with respect to such Payment Date before any Advance to be granted to the Issuer by the Liquidity Providers under the Liquidity Agreement with respect to such Payment Date.

"Order of Priority" means the Pre-Acceleration Order of Priority or the Cross Collateral Order of Priority or the Acceleration Order of Priority, as applicable, according to which the Single Portfolio Available Funds or the Issuer Available Funds, respectively, shall be applied on each Payment Date in accordance with the Conditions and the Intercreditor Agreement.

"Other Issuer Creditors" means the Liquidity Providers, the Swap Counterparty, the Originators, the Servicers, the Representative of the Noteholders, the Security Trustee, the Agent Bank, the Operating Bank, the English Transaction Bank, the Transaction Bank, the Principal Paying Agent, the Italian Paying Agent, the Back-Up Servicer, the Corporate Services Provider, the Cash Manager, the Computation Agent, the Irish Company, the Stichting Corporate Servicer Provider and the Limited Recourse Loan Providers.

"Outstanding Balance" means with respect to a Claim the aggregate of the (i) Outstanding Principal and (ii) all due and unpaid Principal Instalments.

"Outstanding Notes Ratio" means with respect to any Payment Date and to each Portfolio, the ratio, calculated as at the immediately preceding Collection Date, between: (x) the relevant Single Portfolio Notes Principal Amount Outstanding, and (y) the Principal Amount Outstanding of all the Notes.

"Outstanding Principal" means, with respect to any Claim on any date, the aggregate of all Principal Instalments owing by the relevant Borrower and scheduled to be paid on and/or after such date.

"Payment Date" means the day falling two Business Days prior to an Irish Company Payment Date.

"Portfolio No. 1" means the portfolio of Claims which are sold to the Issuer by BCC Alta Brianza pursuant to the relevant Transfer Agreement.

"Portfolio No. 2" means the portfolio of Claims which are sold to the Issuer by BCC Alto Reno pursuant to the relevant Transfer Agreement.

"Portfolio No. 3" means the portfolio of Claims which are sold to the Issuer by BCC Asciano pursuant to the relevant Transfer Agreement.

"Portfolio No. 4" means the portfolio of Claims which are sold to the Issuer by BCC Bassa Friulana pursuant to the relevant Transfer Agreement.

"Portfolio No. 5" means the portfolio of Claims which are sold to the Issuer by BCC Credibo pursuant to the relevant Transfer Agreement.

"Portfolio No. 6" means the portfolio of Claims which are sold to the Issuer by BCC Brendola pursuant to the relevant Transfer Agreement.

"Portfolio No. 7" means the portfolio of Claims which are sold to the Issuer by BCC Campiglia dei Berici pursuant to the relevant Transfer Agreement.

"Portfolio No. 8" means the portfolio of Claims which are sold to the Issuer by BCC Cantù pursuant to the relevant Transfer Agreement.

"Portfolio No. 9" means the portfolio of Claims which are sold to the Issuer by BCC Cartura pursuant to the relevant Transfer Agreement.

"Portfolio No. 10" means the portfolio of Claims which are sold to the Issuer by BCC San Giorgio, pursuant to the relevant Transfer Agreement.

"Portfolio No. 11" means the portfolio of Claims which are sold to the Issuer by BCC Fiumicello pursuant to the relevant Transfer Agreement.

"Portfolio No. 12" means the portfolio of Claims which are sold to the Issuer by BCC Gaudio di Lavello pursuant to the relevant Transfer Agreement.

"Portfolio No. 13" means the portfolio of Claims which are sold to the Issuer by BCC Macerone pursuant to the relevant Transfer Agreement.

"Portfolio No. 14" means the portfolio of Claims which are sold to the Issuer by BCC Marca pursuant to the relevant Transfer Agreement.

"Portfolio No. 15" means the portfolio of Claims which are sold to the Issuer by BCC Metauro pursuant to the relevant Transfer Agreement.

"Portfolio No. 16" means the portfolio of Claims which are sold to the Issuer by BCC Monastier e del Sile pursuant to the relevant Transfer Agreement.

"Portfolio No. 17" means the portfolio of Claims which are sold to the Issuer by BCC Monteriggioni pursuant to the relevant Transfer Agreement.

"Portfolio No. 18" means the portfolio of Claims which are sold to the Issuer by BCC Ostra e Morro d'Alba pursuant to the relevant Transfer Agreement.

"Portfolio No. 19" means the portfolio of Claims which are sold to the Issuer by BCC Pergola pursuant to the relevant Transfer Agreement.

"Portfolio No. 20" means the portfolio of Claims which are sold to the Issuer by BCC Pordenonese pursuant to the relevant Transfer Agreement.

"Portfolio No. 21" means the portfolio of Claims which are sold to the Issuer by BCC Pratola Peligna pursuant to the relevant Transfer Agreement.

"Portfolio No. 22" means the portfolio of Claims which are sold to the Issuer by BCC Sesto San Giovanni pursuant to the relevant Transfer Agreement.

"Portfolio No. 23" means the portfolio of Claims which are sold to the Issuer by BCC Signa pursuant to the relevant Transfer Agreement.

"Portfolio No. 24" means the portfolio of Claims which are sold to the Issuer by BCC Suasa pursuant to the relevant Transfer Agreement.

"Portfolio No. 25" means the portfolio of Claims which are sold to the Issuer by BCC Trevigiano pursuant to the relevant Transfer Agreement.

"Portfolios" means all the Portfolios of monetary claims and connected rights arising under the Mortgage Loans transferred by the Originators to the Issuer further to the Transfer Agreements.

"Pre-Acceleration Order of Priority" means the order in which the Single Portfolio Available Funds shall be applied on each Payment Date prior to the service of a Cross Collateral Notice or a Trigger Notice in accordance with the Conditions and the Intercreditor Agreement.

"Pre-paid Claim" means a Claim in respect of which the principal has been totally or partially paid before the applicable repayment date under the relevant mortgage loan agreement.

"Principal Amortisation Reserve Amount" means with respect to a Payment Date on which a Disequilibrium Event has occurred and to each Portfolio, the difference, if positive, between:

- (i) the relevant Single Portfolio Available Funds, and
- (ii) the aggregate of all amounts to be paid by the Issuer out of such Single Portfolio Available Funds under items *First* to *Eleventh* (in case of a Class A Disequilibrium Event), or *First* to *Thirteenth* (in case of a Class B Disequilibrium Event) of the Pre-Acceleration Order of Priority.

"Principal Amount Outstanding" means, in respect of a Note, on any date, the principal amount of that Note upon issue less the aggregate amount of all principal payments in respect of that Note that have been paid to the Noteholders prior to such date.

"Principal Instalment" means, in respect of each Claim, the principal component of each Instalment.

"Principal Payment Amount" means collectively the Class A Notes Principal Payment Amount and the Class B Notes Principal Payment Amount.

"Rating Agencies" means Moody's and S&P and any successors thereof and any other rating agency which shall be appointed by the Issuer to give a rating to the Investor Notes.

"Relevant" when applied to the term "Portfolio" with respect to a series of Class C Notes, means the Portfolio sold by the Originator that subscribes for such series of Class C Notes pursuant to the Class C Notes Subscription Agreement and *vice versa* when applied to the term "series of Class C Notes" with respect to a Portfolio, means the series of Class C Notes subscribed for by the Originator that sold such Portfolio; the same rule of interpretation shall apply to any other term which contains the words "Portfolio" or respectively "series of Class C Notes" or which is directly and univocally linked to any of them.

"Relevant Proportion" means, on each Calculation Date, for each Portfolio and each Relevant Swap Transaction, the ratio - calculated on such Calculation Date in accordance with the terms of the Schedule 2 to the Intercreditor Agreement – pursuant to which the amounts (if any) payable to the Swap Counterparty under the Relevant Swap Transaction are allocated to such Portfolio.

"Relevant Securities" means with the respect to each Limited Recourse Loan Provider, the Securities transferred to the Issuer by such Limited Recourse Loan Provider pursuant to the Limited Recourse Loan Agreement.

"Relevant Swap Transaction" means, in respect of each Portfolio, any Swap Transaction under which such Portfolio is hedged.

"Reserve Amount" means, with respect to each Payment Date on which the Pre-Acceleration Order of Priority or the Cross Collateral Order of Priority applies, an amount equal to the difference, if a positive number, between:

- (i) € 4,000,000; and

- (ii) the amount standing to the credit of the Reserve Account as at the Collection Date immediately preceding such Payment Date.

"Reserve Amount Quota" means:

- (1) with respect to each Payment Date on which the Pre-Acceleration Order of Priority applies, on which a Detrimental Event has occurred and with respect to each Portfolio, the lower of:
 - A. the difference, if positive, between (a) the relevant Single Portfolio Available Funds, and (b) the aggregate of all amounts to be paid by the Issuer on such Payment Date out of the relevant Single Portfolio Available Funds under items *First* to *Sixteenth* of the Pre-Acceleration Order of Priority; and
 - B. the amount calculated as follows:
 - (i) the difference, if positive, between (a) the relevant Single Portfolio Available Funds, and (b) the aggregate of all amounts to be paid by the Issuer on such Payment Date out of the relevant Single Portfolio Available Funds under items *First* to *Sixteenth* of the Pre-Acceleration Order of Priority;

multiplied by
 - (ii) the ratio between:
 - (x) the Reserve Amount as at such Payment Date; and
 - (y) the aggregate of the amounts calculated for each of the Portfolios as the difference, if positive, between (a) the relevant Single Portfolio Available Funds, and (b) the aggregate of all amounts to be paid by the Issuer on such Payment Date out of the relevant Single Portfolio Available Funds under items from One to Sixteen of the Pre-Acceleration Order of Priority; and
- (2) with respect to each Payment Date on which the Cross Collateral Order of Priority applies, on which a Detrimental Event has occurred and with respect to each Portfolio, the lower of:
 - A. the Reserve Amount; and
 - B. the difference, if positive, between (a) the Issuer Available Funds, and (b) the aggregate of all amounts to be paid by the Issuer on such Payment Date out of the Issuer available Funds under items from *First* to *Fourteenth* of the Cross Collateral Order of Priority.

"Retention Amount" means an amount equal to € 50,000.

"Securities" means the securities transferred to the Issuer by the Limited Recourse Loan Providers pursuant to the Limited Recourse Loan Agreement.

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

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

"Senior Costs" means any amounts to be paid by the Issuer to the Irish Company under items *First* (iii) and (iv), *Second* (i) (b) and *Fifth* (ii) of the Pre-Acceleration Order of Priority and the Cross

Collateral Order of Priority; and items *First* (iii) and (iv), *Second* (ii), (iii) and (iv) and *Sixth* (ii) of the Acceleration Order of Priority.

"Single Portfolio Amortised Principal" means, with respect to each Payment Date and to each Portfolio, an amount equal to the aggregate of:

- i) the aggregate amount of the Principal Instalments of the relevant Claims collected during the immediately preceding Collection Period excluding, all Principal Instalments collected in such immediately preceding Collection Period in relation to the Claims that have become Defaulted Claims in any previous Collection Period (without prejudice to the provisions under items (iii) and (iv) below);
- ii) the aggregate amount of the Principal Instalments of the Pre-paid Claims that have been prepaid during the immediately preceding Collection Period;
- iii) the Outstanding Principal of the Claims of such Portfolio that have become Defaulted Claims during the immediately preceding Collection Period, as of the date when such Claims became Defaulted Claims;
- iv) any amount received by the Issuer during the immediately preceding Collection Period from the Originator of such Portfolio pursuant to the relevant Transfer Agreement and/or the Warranty and Indemnity Agreement; and
- v) the Single Portfolio Amortised Principal unpaid at the previous Payment Date.

"Single Portfolio Available Funds" means, in respect of each Payment Date and each Portfolio, the aggregate of:

- i) all the Collections received by the Issuer, through the relevant Servicer of such Portfolio, during the immediately preceding Collection Period in relation to the relevant Claims;
- ii) all other amounts transferred during the immediately preceding Collection Period from the relevant Transitory Collections and Recoveries Account into the Collections and Recoveries Account;
- iii) only in respect of the Payment Date falling on December 2007, any relevant Single Portfolio Class A Notes Principal Payment Amount, Single Portfolio Class B Notes Principal Payment Amount and Single Series Available Class C Notes Redemption Funds paid into the Principal Accumulation Account on the preceding Payment Dates;
- iv) all interest accrued on the amounts standing to the credit of each of the Accounts (except for the Expenses Account and the Quota Capital Account) and payments received under the Eligible Investments during the immediately preceding Collection Period;
- v) all amounts paid into the credit of the relevant Principal Amortisation Reserve Account on the immediately preceding Payment Date;
- vi) the relevant Outstanding Notes Ratio of all interest accrued on the amounts standing from time to time to the credit of the Expenses Account during the immediately preceding Collection Period;
- vii) the Relevant Proportion of all amounts due and payable to the Issuer on such Payment Date under the terms of the Relevant Swap Transactions;

- viii) all amounts, if any, received from the relevant Originator pursuant to the Warranty and Indemnity Agreement and/or the Transfer Agreement in respect of the relevant Claims during the immediately preceding Collection Period;
- ix) the relevant Outstanding Notes Ratio of all the amounts paid into the Payments Account during the immediately preceding Collection Period;
- x) with respect to the first Payment Date on which the Pre-Acceleration Order of Priority applies following full redemption of the Senior Notes, the amounts paid into the Reserve Account in any preceding Payment Date out of the relevant Single Portfolio Available Funds;
- xi) with respect to each Payment Date on which a Single Portfolio Detrimental Event has not occurred, the difference, if positive, between (a) the amounts paid into such Single Portfolio Reserve Account in any preceding Payment Date and not yet utilized as Single Portfolio Available Funds and (b) the amount calculated as follows: (I) the amounts paid into such Single Portfolio Reserve Account in any preceding Payment Date and not yet utilised as Single Portfolio Available Funds, multiplied by (II) the ratio between (x) the Advances to be made available to the Issuer under the Liquidity Agreement on such Payment Date by the Liquidity Providers together with the Advances made available by the Liquidity Providers on previous Payment Dates and not yet fully reimbursed, and (y) the aggregate of all amounts paid into all Single Portfolio Reserve Accounts in any preceding Payment Date and not yet utilised as Single Portfolio Available Funds;
- xii) all the interest accrued on the Relevant Securities and paid into the Payments Account during the immediately preceding Collection Date;
- xiii) any proceeds paid to the Issuer resulting from any termination of the Swap Transactions only to the purpose of entering into a replacement Swap Transaction, and to the extent such proceeds exceed the cost of entering into a replacement Swap Agreement such excess may be utilised only to pay any shortfall under items *Eighth* or *Ninth* of the Pre- Acceleration Order of Priority. Provided that any amount under this item could be fully utilised if by doing so the Senior Notes will be fully redeemed on that Payment Date; and
- xiv) until full repayment of the Senior Notes: (a) only in respect of payments ranking as *First*, *Second*, *Fourth*, *Fifth*, *Sixth*, *Seventh*, *Eighth*, *Ninth*, and *Tenth*, of the Pre-Acceleration Order of Priority of the Notes, shall include (I) any Advances which are made to the Issuer with respect to such Payment Date in relation to any Single Portfolio Negative Balance of such Portfolio or (II) up to an amount equal to the amount of any Advances to be made to the Issuer with respect to such Payment Date in relation to such Portfolio, the proceeds from the sale of the Relevant Securities to be used alternatively to the Advances, in accordance with the terms of the Limited Recourse Loan Agreement; and (b) in respect of payments ranking as *Eleventh*, *Thirteenth* and *Fifteenth* of the Pre Acceleration Order of Priority, the difference (if positive) between the Advances available after making the payments under letter (a) above, and an amount equal to 1% of the Principal Amount Outstanding of the Senior Notes of the relevant Portfolio as at the day following the immediately preceding Payment Date. Provided that the Advances could be fully utilised if by doing so the Senior Notes will be fully redeemed on that Payment Date;

but excluding: (i) any amount held by the Issuer which properly belongs to the Swap Counterparty in respect of any Tax Credit (as defined in the Swap Agreement) and payable to the Swap Counterparty pursuant to the Swap Agreement; (ii) prior to the occurrence of an Early Termination Date (as defined in the Swap Agreement) for the Swap Transactions, the amount (if any) standing to the credit of the account into which the collateral posted pursuant to the Swap Agreement is paid (the "**Collateral Account**"); and (iii) following the date on which the Swap Transactions are terminated, the amount standing to the credit of the Collateral Account (if any) which exceeds the termination amount (if any) that would have otherwise been payable by the Swap Counterparty to the Issuer had the collateral not been provided.

"Single Portfolio Class A Notes Principal Amount Outstanding" means with respect to each Payment Date and to each Portfolio the difference between:

- (i) the relevant Single Portfolio Initial Class A Notes Principal Amount Outstanding; and
- (ii) the aggregate of all the Single Portfolio Class A Notes Principal Payment Amounts paid to the Class A Noteholders on the preceding Payment Dates.

"Single Portfolio Class B Notes Principal Amount Outstanding" means with respect to each Payment Date and to each Portfolio the difference between:

- (i) the relevant Single Portfolio Initial Class B Notes Principal Amount Outstanding; and
- (ii) the aggregate of all the Single Portfolio Class B Notes Principal Payment Amounts paid to the Class B Noteholders on the preceding Payment Dates.

"Single Portfolio Class A Notes Principal Payment Amount" means with respect to each Payment Date and to each Portfolio the lesser of:

- (i) the relevant Single Portfolio Amortised Principal with respect to such Payment Date, and
- (ii) the relevant Single Portfolio Class A Notes Principal Amount Outstanding as at the immediately preceding Collection Date.

"Single Portfolio Class B Notes Principal Payment Amount" means with respect to each Payment Date and to each Portfolio the lesser of:

- (i) the relevant Single Portfolio Amortised Principal with respect to such Payment Date, and
- (ii) the Single Portfolio Class B Notes Principal Amount Outstanding as at the immediately preceding Collection Date.

"Single Portfolio Detrimental Event" has the meaning ascribed to it in Condition 4.4.

"Single Portfolio Initial Class A Notes Principal Amount Outstanding" means (i) with respect to Portfolio No. 1 the Principal Amount Outstanding as at the Issue Date of 2.87% of the Class A Notes, equal to Euro 16,159,000; (ii) with respect to Portfolio No. 2 the Principal Amount Outstanding as at the Issue Date of 2.09% of the Class A Notes, equal to Euro 11,805,000; (iii) with respect to Portfolio No. 3 the Principal Amount Outstanding as at the Issue Date of 1.78% of the Class A Notes, equal to Euro 10,042,000; (iv) with respect to Portfolio No. 4 the Principal Amount Outstanding as at the Issue Date of 2.56% of the Class A Notes, equal to Euro 14,417,000; (v) with respect to Portfolio No. 5 the Principal Amount Outstanding as at the Issue Date of 5.58% of the Class A Notes, equal to Euro 31,449,000; (vi) with respect to Portfolio No. 6 the Principal Amount Outstanding as at the Issue Date of 3.45% of the Class A Notes, equal to Euro 19,476,000; (vii) with respect to Portfolio No. 7 the Principal Amount Outstanding as at the Issue Date of 1.47% of the Class A Notes, equal to Euro 8,258,000; (viii) with respect to Portfolio No. 8 the Principal Amount Outstanding as at the Issue Date of 4.04% of the Class A Notes, equal to Euro 22,780,000; (ix) with respect to Portfolio No. 9 the Principal Amount Outstanding as at the Issue Date of 3.39% of the Class A Notes, equal to Euro 19,146,000; (x) with respect to Portfolio No. 10 the Principal Amount Outstanding as at the Issue Date of 6.30% of the Class A Notes, equal to Euro 35,540,000; (xi) with respect to Portfolio No. 11 the Principal Amount Outstanding as at the Issue Date of 2.00% of the Class A Notes, equal to Euro 11,301,000; (xii) with respect to Portfolio No. 12 the Principal Amount Outstanding as at the Issue Date of 0.95% of the Class A Notes, equal to Euro 5,385,000; (xiii) with respect to Portfolio No. 13 the Principal Amount Outstanding as at the Issue Date of 2.30% of the Class A Notes, equal to Euro 12,957,000; (xiv) with respect to Portfolio No. 14 the Principal Amount Outstanding as at the Issue

Date of 13.82% of the Class A Notes, equal to Euro 77,959,000; (xv) with respect to Portfolio No. 15 the Principal Amount Outstanding as at the Issue Date of 1.57% of the Class A Notes, equal to Euro 8,872,000; (xvi) with respect to Portfolio No. 16 the Principal Amount Outstanding as at the Issue Date of 5.18% of the Class A Notes, equal to Euro 29,196,000; (xvii) with respect to Portfolio No. 17 the Principal Amount Outstanding as at the Issue Date of 4.14% of the Class A Notes, equal to Euro 23,350,000; (xviii) with respect to Portfolio No. 18 the Principal Amount Outstanding as at the Issue Date of 1.72% of the Class A Notes, equal to Euro 9,686,000; (xix) with respect to Portfolio No. 19 the Principal Amount Outstanding as at the Issue Date of 3.14% of the Class A Notes, equal to Euro 17,718,000; (xx) with respect to Portfolio No. 20 the Principal Amount Outstanding as at the Issue Date of 10.34% of the Class A Notes, equal to Euro 58,304,000; (xxi) with respect to Portfolio No. 21 the Principal Amount Outstanding as at the Issue Date of 2.87% of the Class A Notes, equal to Euro 16,156,000; (xxii) with respect to Portfolio No. 22 the Principal Amount Outstanding as at the Issue Date of 3.91% of the Class A Notes, equal to Euro 22,058,000; (xxiii) with respect to Portfolio No. 23 the Principal Amount Outstanding as at the Issue Date of 4.49% of the Class A Notes, equal to Euro 25,348,000; (xiv) with respect to Portfolio No. 24 the Principal Amount Outstanding as at the Issue Date of 2.22% of the Class A Notes, equal to Euro 12,498,000 and (xiv) with respect to Portfolio No. 25 the Principal Amount Outstanding as at the Issue Date of 7.82% of the Class A Notes, equal to Euro 44,125,000.

"Single Portfolio Initial Class B Notes Principal Amount Outstanding" means (i) with respect to Portfolio No. 1 the Principal Amount Outstanding as at the Issue Date of 2.85% of the Class B Notes, equal to Euro 685,000; (ii) with respect to Portfolio No. 2 the Principal Amount Outstanding as at the Issue Date of 2.03% of the Class B Notes, equal to Euro 487,000; (iii) with respect to Portfolio No. 3 the Principal Amount Outstanding as at the Issue Date of 1.70% of the Class B Notes, equal to Euro 409,000; (iv) with respect to Portfolio No. 4 the Principal Amount Outstanding as at the Issue Date of 2.52% of the Class B Notes, equal to Euro 605,000; (v) with respect to Portfolio No. 5 the Principal Amount Outstanding as at the Issue Date of 5.51% of the Class B Notes, equal to Euro 1,323,000; (vi) with respect to Portfolio No. 6 the Principal Amount Outstanding as at the Issue Date of 3.44% of the Class B Notes, equal to Euro 826,000; (vii) with respect to Portfolio No. 7 the Principal Amount Outstanding as at the Issue Date of 1.40% of the Class B Notes, equal to Euro 336,000; (viii) with respect to Portfolio No. 8 the Principal Amount Outstanding as at the Issue Date of 3.96% of the Class B Notes, equal to Euro 949,000; (ix) with respect to Portfolio No. 9 the Principal Amount Outstanding as at the Issue Date of 3.33% the Class B Notes, equal to Euro 800,000; (x) with respect to Portfolio No. 10 the Principal Amount Outstanding as at the Issue Date of 6.46% of the Class B Notes, equal to Euro 1,550,000; (xi) with respect to Portfolio No. 11 the Principal Amount Outstanding as at the Issue Date of 2.00% of the Class B Notes, equal to Euro 480,000; (xii) with respect to Portfolio No. 12 the Principal Amount Outstanding as at the Issue Date of 0.91% of the Class B Notes, equal to Euro 219,000; (xiii) with respect to Portfolio No. 13 the Principal Amount Outstanding as at the Issue Date of 2.21% of the Class B Notes, equal to Euro 530,000; (xiv) with respect to Portfolio No. 14 the Principal Amount Outstanding as at the Issue Date of 14.58% of the Class B Notes, equal to Euro 3,500,000; (xv) with respect to Portfolio No. 15 the Principal Amount Outstanding as at the Issue Date of 1.54% of the Class B Notes, equal to Euro 370,000; (xvi) with respect to Portfolio No. 16 the Principal Amount Outstanding as at the Issue Date of 5.33% of the Class B Notes, equal to Euro 1,280,000; (xvii) with respect to Portfolio No. 17 the Principal Amount Outstanding as at the Issue Date of 3.96% of the Class B Notes, equal to Euro 950,000; (xviii) with respect to Portfolio No. 18 the Principal Amount Outstanding as at the Issue Date of 1.71% of the Class B Notes, equal to Euro 410,000; (xix) with respect to Portfolio No. 19 the Principal Amount Outstanding as at the Issue Date of 3.10% of the Class B Notes, equal to Euro 745,000; (xx) with respect to Portfolio No. 20 the Principal Amount Outstanding as at the Issue Date of 10.38% of the Class B Notes, equal to Euro 2,491,000; (xxi) with respect to Portfolio No. 21 the Principal Amount Outstanding as at the Issue Date of 2.82% of the Class B Notes, equal to Euro 675,000; (xxii) with respect to Portfolio No. 22 the Principal Amount Outstanding as at the Issue Date of 3.88% of the Class B Notes, equal to Euro 930,000; (xxiii) with respect to Portfolio No. 23 the Principal Amount Outstanding as at the Issue Date of 4.42% of the Class B Notes, equal to Euro 1,060,000; (xiv) with respect to Portfolio No. 24 the Principal Amount Outstanding as at the Issue Date of 2.13% of the

Class B Notes, equal to Euro 512,000 and (xiv) with respect to Portfolio No. 25 the Principal Amount Outstanding as at the Issue Date of 7.83% of the Class B Notes, equal to Euro 1,878,000.

"Single Portfolio Negative Balance" means with respect to any Payment Date and to each Portfolio the difference, if positive, between (a) all amounts due to be paid by the Issuer on such Payment Date under items *One to Eleven, Thirteen, Fifteen and Sixteen* (inclusive) of the Pre-Acceleration Order of Priority and (b) the Single Portfolio Available Funds with respect to such Portfolio and to such Payment Date before any Advance to be granted to the Issuer by the relevant Liquidity Provider under the relevant Liquidity Agreement with respect to such Payment Date and excluding any amount under item (viii) of the definition of Single Portfolio Available Funds.

"Single Portfolio Notes Principal Amount Outstanding" means with respect to each Payment Date:

- i) with respect to Portfolio No. 1, the aggregate of the relevant Single Portfolio Class A Notes Principal Amount Outstanding, the relevant Single Portfolio Class B Notes Principal Amount Outstanding and the Principal Amount Outstanding of the Class C1 Notes;
- ii) with respect to Portfolio No. 2, the aggregate of the relevant Single Portfolio Class A Notes Principal Amount Outstanding, the relevant Single Portfolio Class B Notes Principal Amount Outstanding and the Principal Amount Outstanding of the Class C2 Notes;
- iii) with respect to Portfolio No. 3, the aggregate of the relevant Single Portfolio Class A Notes Principal Amount Outstanding, the relevant Single Portfolio Class B Notes Principal Amount Outstanding and the Principal Amount Outstanding of the Class C3 Notes;
- iv) with respect to Portfolio No. 4 the aggregate of the relevant Single Portfolio Class A Notes Principal Amount Outstanding, the relevant Single Portfolio Class B Notes Principal Amount Outstanding and the Principal Amount Outstanding of the Class C4 Notes;
- v) with respect to Portfolio No. 5, the aggregate of the relevant Single Portfolio Class A Notes Principal Amount Outstanding, the relevant Single Portfolio Class B Notes Principal Amount Outstanding and the Principal Amount Outstanding of the Class C5 Notes;
- vi) with respect to Portfolio No. 6, the aggregate of the relevant Single Portfolio Class A Notes Principal Amount Outstanding, the relevant Single Portfolio Class B Notes Principal Amount Outstanding and the Principal Amount Outstanding of the Class C6 Notes;
- vii) with respect to Portfolio No. 7, the aggregate of the relevant Single Portfolio Class A Notes Principal Amount Outstanding, the relevant Single Portfolio Class B Notes Principal Amount Outstanding and the Principal Amount Outstanding of the Class C7 Notes;
- viii) with respect to Portfolio No. 8, the aggregate of the relevant Single Portfolio Class A Notes Principal Amount Outstanding, the relevant Single Portfolio Class B Notes Principal Amount Outstanding and the Principal Amount Outstanding of the Class C8 Notes;
- ix) with respect to Portfolio No. 9, the aggregate of the relevant Single Portfolio Class A Notes Principal Amount Outstanding, the relevant Single Portfolio Class B Notes Principal Amount Outstanding and the Principal Amount Outstanding of the Class C9 Notes;
- x) with respect to Portfolio No. 10, the aggregate of the relevant Single Portfolio Class A Notes Principal Amount Outstanding, the relevant Single Portfolio Class B Notes Principal Amount Outstanding and the Principal Amount Outstanding of the Class C10 Notes;

xxv) with respect to Portfolio No. 25, the aggregate of the relevant Single Portfolio Class A Notes Principal Amount Outstanding, the relevant Single Portfolio Class B Notes Principal Amount Outstanding and the Principal Amount Outstanding of the Class C25 Notes,

in each case as at the immediately preceding Collection Date.

"Single Portfolio Reserve Amount" means with respect to a Payment Date on which a Single Portfolio Detrimental Event has occurred and to each Portfolio, the difference, if positive, between:

- i) the relevant Single Portfolio Available Funds, and
- ii) the aggregate of all amounts to be paid by the Issuer out of such Single Portfolio Available Funds under items *One* to *Sixteen* of the Pre-Acceleration Order of Priority.

"Single Provider Maximum Commitment Amount" means the maximum amount which each Liquidity Provider will make available to the Issuer under the terms of the Liquidity Agreement, which is equal to: with respect to BCC Alta Brianza, Euro 705,000; with respect to BCC Alto Reno, Euro 530,000; with respect to BCC Asciano, Euro 450,000; with respect to BCC Bassa Friulana, Euro 629,000; with respect to BCC Credibo, Euro 1,370,000; with respect to BCC Brendola, Euro 820,000; with respect to BCC Campiglia dei Berici, Euro 375,000; with respect to BCC Cantù, Euro 995,000; with respect to BCC Cartura, Euro 835,000; with respect to BCC San Giorgio, Euro 1,485,000; with respect to BCC Fiumicello, Euro 507,000; with respect to BCC Gaudio di Lavello, Euro 240,000; with respect to BCC Macerone, Euro 580,000; with respect to BCC Marca, Euro 3,273,000; with respect to BCC Metauro, Euro 388,000; with respect to BCC Monastier e del Sile, Euro 1,230,000; with respect to BCC Monteriggioni, Euro 1,350,000; with respect to BCC Ostra e Morro d'Alba, Euro 423,000; with respect to BCC Pergola, Euro 772,000; with respect to BCC Pordenonese, Euro 2,450,000; with respect to BCC Pratola Peligna, Euro 705,000; with respect to BCC Sesto San Giovanni, Euro 968,000; with respect to BCC Signa, Euro 1,100,000; with respect to BCC Suasa, Euro 560,000 and with respect to BCC Trevigiano, Euro 1,860,000.

"Single Series Available Class C Notes Redemption Funds" means with respect to each Payment Date and to each series of Class C Notes, an amount, calculated as at the Collection Date immediately preceding such Payment Date, equal to the lesser of:

- i) the Single Portfolio Available Funds with respect to the relevant Portfolio, available for redemption of the Principal Amount Outstanding of such series of Class C Notes according to the Pre-Acceleration Order of Priority or the Acceleration Order of Priority or the Cross Collateral Order of Priority as applicable; and
- ii) the Principal Amount Outstanding of such series of Class C Notes.

"Single Series Class C Notes Interest Payment Amount" means with respect to each Payment Date and to each series of Class C Notes an amount, calculated on the Calculation Date immediately preceding such Payment Date, equal to:

- i) the aggregate of all Interest Instalments accrued on the Claims of the relevant Portfolio in the immediately preceding Collection Period (excluding Interest Accruals); plus
- ii) the aggregate of all fees for prepayment paid on the Claims of the relevant Portfolio in the immediately preceding Collection Period; plus
- iii) the aggregate of all interest for late payments (interessi di mora) paid on the Claims of the relevant Portfolio in the immediately preceding Collection Period; plus

- iv) all amounts to be received by the Issuer under the Relevant Swap Transaction on the Payment Date; plus
- v) all amounts received or recovered by the Issuer in the immediately preceding Collection Period with respect to the relevant Claims which are or have been Defaulted Claims; plus
- vi) (a) the relevant Outstanding Notes Ratio of all amounts of interest (if any) accrued on the amounts standing from time to time to the credit of the Payments Account, the Expenses Account, the Collection and Recoveries Account and the Principal Accumulation Account and paid into the same during the immediately preceding Collection Period; and (b) all amounts of interest (if any) accrued on the amounts standing from time to time to the credit of the relevant Transitory Collections and Recoveries Account, Single Portfolio Reserve Account, Principal Amortisation Reserve Account and Liquidity Reserve Account and paid into the same during the immediately preceding Collection Period; and (c) all amounts of interest (if any) accrued on the amounts standing from time to time to the credit of the Reserve Account which were paid into it out of the relevant Single Portfolio Available Funds, during the immediately preceding Collection Period; plus
- vii) the relevant Outstanding Notes Ratio of all payments (if any) received under the Eligible Investments during the immediately preceding Collection Period; minus
- viii) the aggregate of all amounts due to be paid by the Issuer on the next following Payment Date out of the relevant Single Portfolio Available Funds under items *First*, *Second* and *Fourth* through to *Ninth*, *Fifteenth* and *Sixteenth* of the Pre-Acceleration Order of Priority, or the relevant Outstanding Notes Ratio of all amounts due to be paid by the Issuer on the next following Payment Date under items *First*, *Second* and *Fifth* through to *Tenth*, *Fourteenth* and *Fifteenth* of the Acceleration Order of Priority or the relevant Outstanding Notes Ratio of all amounts due to be paid by the Issuer on the next following Payment Date under items *First*, *Second* and *Fourth* through to *Ninth*, *Thirteenth* and *Fourteenth* of the Cross Collateral Order of Priority; minus
- ix) the Outstanding Balance of all the Claims of the relevant Portfolio which have become Defaulted Claims during the immediately preceding Collection Period calculated as at the immediately preceding Collection Date;

but excluding: (i) any amount held by the Issuer which properly belongs to the Swap Counterparty in respect of any Tax Credit (as defined in the Swap Agreement) and payable to the Swap Counterparty pursuant to the Swap Agreement; (ii) prior to the occurrence of an Early Termination Date (as defined in the Swap Agreement) for the Swap Transactions, the amount (if any) standing to the credit of the account into which the collateral posted pursuant to the Swap Agreement is paid (the "**Collateral Account**"); and (iii) following the date on which the Swap Transactions are terminated, the amount standing to the credit of the Collateral Account (if any) which exceeds the termination amount (if any) that would have otherwise been payable by the Swap Counterparty to the Issuer had the collateral not been provided.

"**Transfer Date**" means 31 May 2006.

"**Unpaid Instalment**" means any Instalment that is not duly paid by the relevant Borrower on the scheduled date for payment thereof.

"**Valuation Date**" means 31 March 2006.

1. FORM, DENOMINATION, STATUS

- (1) The Notes are in bearer and dematerialised form and will be wholly and exclusively deposited with Monte Titoli in accordance with Article 28 of Italian Legislative

Decree No. 213 of 24 June 1998, through the authorised institutions listed in Article 30 of such Legislative Decree.

- (2) The Notes will be held by Monte Titoli on behalf of the Noteholders until redemption for the account of the relevant Monte Titoli Account Holder. The expression "Monte Titoli Account Holder" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli. Title to the Notes will be evidenced by one or more book entries in accordance with the provisions of (i) Article 28 of Italian Legislative Decree No. 213 of 24 June 1998; and (ii) CONSOB Resolution No. 11768 of 23 December 1998, as subsequently, and as further amended from time to time. No physical document of title will be issued in respect of the Notes.
- (3) Senior Notes shall be issued in denominations of Euro 5,000. Each series of Class C Notes will be issued in denominations of Euro 1.
- (4) Each Note is issued subject to and has the benefit of the Security Documents.

2. STATUS, PRIORITY AND SEGREGATION

- (1) 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 actual amount received or recovered from time to time by or on behalf of the Issuer in respect of the Claims and the Transaction Documents and which the Issuer or the Representative of the Noteholders is entitled to apply in accordance with the applicable Order of Priority and the terms of the Intercreditor Agreement and neither the Representative of the Noteholders nor any relevant Noteholder may take any further steps against the Issuer or any of its assets to recover any unpaid sum and the Issuer's liability for any unpaid sum will be extinguished. 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. Without prejudice to the acknowledgement that the limited recourse nature of the Notes produces the effects of a "*contratto aleatorio*", any payment obligations of the Issuer under the Notes as have remained unpaid to the extent referred to above following the completion of any proceedings for the recovery of any claim and, in any event, as of the legal maturity of the Notes shall be deemed extinguished as if the relevant claims had hereby been irrevocably relinquished and surrendered by the Noteholders to the Issuer and the Noteholders will have no further recourse to the Issuer in respect of such obligations.
- (2) The Notes are secured by certain assets of the Issuer pursuant to the Security Documents and in addition, by operation of Italian law, the Issuer's right, title and interest in and to the Portfolios is segregated from all other assets of the Issuer. Amounts deriving from the Portfolios will only be available, both prior to and following the winding-up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders and the Other Issuer Creditors in accordance with the applicable Order of Priority set forth in Condition 4 (*Order of Priority*) and to any third party creditors in respect of costs, fees and expenses incurred by the Issuer to such third party creditors in relation to the Transaction.

- (3) The Notes of each Class will rank *pari passu* and without any preference or priority among themselves.
- (4) As long as the Notes of a Class ranking in priority to the other Classes of Notes are outstanding, unless notice has been given to the Issuer declaring the Notes of such Class due and payable, the Notes of the Class(es) ranking below may not be declared due and payable and the Noteholders of the outstanding Class of Notes ranking highest in priority shall be entitled to determine the remedies to be exercised.
- (5) The Intercreditor Agreement contains provisions regarding the protection of the respective interests of all Noteholders in connection with the exercise of the powers, authorities, rights, duties and discretion of the Representative of the Noteholders under or in connection with the Notes or any of the Transaction Documents. If, however, in the opinion of the Representative of the Noteholders, there is or may be a conflict between the interests of the Noteholders of any Class(es) of Notes, the Representative of the Noteholders is required to regard only the interests of the Class of Noteholders ranking highest in the applicable Order of Priority, until such Class of Notes has been redeemed in full.

3. COVENANTS

So long as any amount in respect of the Notes remains outstanding, the Issuer shall not, save with the prior written consent of the Representative of the Noteholders (without prejudice to the provision of Condition 3.10 below) or as provided for in or envisaged by any of the Transaction Documents:

3.1 *Negative pledge*

create or permit to subsist any Security Interest whatsoever over any of the Portfolios or any part thereof or over any of its other assets or sell, lend, part with or otherwise dispose of all or any part of the Portfolios or any of its assets related to the Transaction; or

3.2 *Restrictions on activities*

- a) save as provided in Condition 3.10 below (Further Securitisations), engage in any activity whatsoever which is not incidental to or necessary in connection with any of the activities in which the Transaction Documents provide or envisage that the Issuer will engage; or
- b) have any *società controllata* (subsidiary) or *società collegata* (affiliate company) (as defined in Article 2359 of the *Codice Civile*) or any employees or premises; or
- c) at any time approve or agree or consent to or do, or permit to be done, any act or thing whatsoever which may be materially prejudicial to the interests of the Class A Noteholders or, if no Class A Notes are outstanding, the Class B Noteholders or, if no Class B Notes are outstanding, the Class C Noteholders under the Transaction Documents; or
- d) become the owner of any real estate asset; or
- e) to the purpose of the Council Regulation (EC) No. 1346/2000 of May 29, 2000 on insolvency proceedings, move its centre of main interest, (i.e. the place where it conducts the administration of its interests on a regular basis and is therefore ascertainable by third parties), outside Italy.

3.3 ***Dividends, Distributions and Capital Increases***

pay any dividend or make any other distribution or return or repay any equity capital to its quotaholders, or issue any further quota or shares; or

3.4 ***De-registrations***

ask for de-registration from the register held by *Ufficio Italiano Cambi* pursuant to Article 106 of the Consolidated Banking Act or from the register kept by the Bank of Italy under Article 107 of the Consolidated Banking Act, for as long as Law 130, the Consolidated Banking Act or any other applicable law or regulation requires the company incorporated pursuant to Law 130 to be registered thereon; or

3.5 ***Borrowings***

incur any indebtedness in respect of any borrowed money whatsoever or give any guarantee in respect of indebtedness or of any obligation of any person other than for the purposes of the Transaction; or

3.6 ***Merger***

consolidate or merge with any person or convey or transfer any of its properties or assets to any person, unless in connection with, or for the purposes of, the Transaction; or

3.7 ***No variation or waiver***

permit any of the Transaction Documents to which it is party to be amended, terminated or discharged, if such amendment, termination or discharge may negatively affect the interest of the Senior Noteholders; or exercise any powers of consent or waiver pursuant to the terms of any of the Transaction Documents to which it is a party, in a way which may negatively affect the interest of the Senior Noteholders; or permit any party to any of the Transaction Documents to which it is a party to be released from its obligations thereunder, if such release may negatively affect the interest of the Senior Noteholders; or

3.8 ***Bank Accounts***

have an interest in any bank account other than the Accounts; or

3.9 ***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

3.10 ***Further securitisation***

carry out other securitisation transactions or, without limiting the generality of the foregoing, implement, enter into, make or execute any document, act, deed or agreement in connection with any other securitisation transaction without the prior written consent of the Representative of the Noteholders subject to prior confirmation of the Rating Agencies that any such securitisation transaction will not adversely affect the rating of any of the Investor Notes.

4. **ORDERS OF PRIORITY**

4.1 ***Pre-Acceleration Order Of Priority***

Save for the provisions of Condition 4.5 and 4.6, the Single Portfolio Available Funds relating to each of the Portfolios shall be applied on each Payment Date in making the following payments in the following order of priority (in each case, only if and to the extent that payments of a higher priority have been made in full):

First (pari passu and pro rata to the extent of the respective amounts thereof), to pay the relevant Outstanding Notes Ratio of (i) all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Issuer or to maintain it in good standing or to comply with the applicable legislation and regulations (ii) all costs and taxes required to be paid in connection with the registration and deposit of the Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents; (iii) 50% (fifty percent.) of all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Irish Company or to maintain it in good standing or to comply with the applicable legislation and regulations until the CCF Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter; (iv) 50% (fifty percent.) of all costs and taxes required to be paid to maintain the rating of the Investor Notes and in connection with the registration and deposit of the Investor Notes, or any notice to be given to the noteholders or the other parties to the documentation of the Irish Transaction until the CCF Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter; each of the above to the extent not met by utilising the amount standing to the credit of the Expenses Account;

Second, to pay (pari passu and pro rata to the extent of the respective amounts thereof) the relevant Outstanding Notes Ratio of (i) (a) the fees, expenses and all other amounts due to the Representative of Noteholders and the Security Trustee and (b) 50% (fifty percent.) of the fees, expenses and all other amounts due to the representative of noteholders and the security trustee appointed under the Irish Transaction until the CCF Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter; and (ii) upon payment in full of the amounts due to the Representative of the Noteholders, the Security Trustee and the Investor Notes trustee under paragraph (i), (pari passu and pro rata to the extent of the respective amounts thereof) all amount of interest due and payable to the relevant Limited Recourse Loan Provider pursuant to the Limited Recourse Loan Agreement;

Third, to repay the Advances (if any) made under the Liquidity Agreement by the relevant Liquidity Provider for the liquidity support provided in relation to its respective Portfolio;

Fourth, to pay into the Expenses Account the relevant Outstanding Notes Ratio of the amount (if any) necessary to ensure that the balance standing to the credit of the Expenses Account as at such Payment Date is equal to the Retention Amount;

Fifth (pari passu and pro rata to the extent of the respective amounts thereof), to pay the relevant Outstanding Notes Ratio of (i) the fees, expenses and all other amounts due to the Cash Manager, the Computation Agent, the Agent Bank, the Operating Bank, the Transaction Bank, the English Transaction Bank, the Paying Agents, the Corporate Services Provider and the Stichting Corporate Services Provider and (ii) 50% (fifty percent.) of the fees, expenses and all other amounts due to the Rating Agencies, the Investor Notes principal paying agent, the Investor Notes agent bank, the Investor Notes custodian, the Luxemburg paying agent and the Irish Company administrator, appointed under the Irish Transaction until the CCF Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter;

Sixth, to pay the Relevant Proportion of all amounts due and payable to the Swap Counterparty under the terms of the Swap Agreement other than any termination payment due to the Swap Counterparty upon termination of the Swap Transactions in circumstances where the Swap Counterparty is the Defaulting Party (as defined in the 1992 ISDA Master Agreement) but including, in any event the amount of any termination payment due and payable to the Swap Counterparty in relation to the termination of the Swap Transactions to

the extent of any premium received (net of any costs reasonably incurred by the Issuer to find a replacement swap counterparty), if any, by the Issuer from a replacement swap counterparty in consideration for entering into swap transactions with the Issuer on the same terms as the Swap Transactions;

Seventh, to pay the fees and expenses of the Servicer of its respective Portfolio pursuant to the Servicing Agreement (to the extent not expressly included in any following item);

Eighth, to pay all amounts of interest due and payable on the Single Portfolio Class A Notes Principal Amount Outstanding on such Payment Date (*pro rata* according to the amounts then due);

Ninth, to pay all amounts of interest due and payable on the Single Portfolio Class B Notes Principal Amount Outstanding on such Payment Date (*pro rata* according to the amounts then due);

Tenth, to pay to the relevant Originator any amount due by the Issuer as a restitution of the indemnities paid by such Originator to the Issuer under the terms of the Warranty and Indemnity Agreement;

Eleventh, to pay the relevant Single Portfolio Class A Notes Principal Payment Amount then due with respect to such Payment Date and the relevant Single Portfolio Class A Notes Principal Payment Amount due with respect to previous Payment Dates but unpaid, provided that on the Payment Dates falling before December 2007 the amount which would be payable to the Class A Noteholders according to the foregoing will be paid into the Principal Accumulation Account and will become payable to the Class A Noteholders on the Payment Date falling on December 2007 (*pro rata* according to the amounts then due);

Twelfth, upon the occurrence of a Class A Disequilibrium Event with respect to one or more Portfolios, to pay the relevant Principal Amortisation Reserve Amount into the relevant Principal Amortisation Reserve Account;

Thirteenth, after the Class A Notes have been redeemed in full, to pay the relevant Single Portfolio Class B Notes Principal Payment Amount with respect to such Payment Date and the Single Portfolio Class B Notes Principal Payment Amount due with respect to previous Payment Dates but unpaid; provided that on the Payment Dates falling before December 2007, the amount which would be payable to the Class B Noteholders according to the foregoing will be paid into the Principal Accumulation Account and will become payable to the Class B Noteholders on the Payment Date falling on December 2007 (*pro rata* according to the amounts then due);

Fourteenth, upon the occurrence of a Class B Disequilibrium Event with respect to one or more Portfolios, to pay the relevant Principal Amortisation Reserve Amount into the relevant Principal Amortisation Reserve Account;

Fifteenth, to pay *pari passu* and *pro rata*, all amounts of interest due and payable on the Advances made to the Issuer by the relevant Liquidity Provider;

Sixteenth, to pay the Relevant Proportion of any termination payment due and payable to the Swap Counterparty under the terms of the Swap Agreement upon termination of the Relevant Swap Transaction in circumstances where the Swap Counterparty is the Defaulting Party other than the payments referred to under item *Sixth* above;

Seventeenth, on any Payment Date with respect to which a Single Portfolio Detrimental Event has occurred, to pay the relevant Single Portfolio Reserve Amount into the relevant Single Portfolio Reserve Account;

Eighteenth, on any Payment Date with respect to which a Detrimental Event has occurred, to pay the Reserve Amount Quota into the Reserve Account;

Nineteenth, to pay to the Originator the Interest Accruals in relation to its respective Portfolio;

Twentieth, to pay to the Originator any amount due and payable in respect of purchase price adjustments due in relation to its respective Claims, not listed under the relevant Transfer Agreement but matching the criteria listed in the Transfer Agreement, and any amount due and payable by the Issuer pursuant to the Warranty and Indemnity Agreement (save for amounts due and payable as a restitution of indemnities paid by the Originator of such Portfolio, referred to under item *Tenth* above);

Twenty-first, to pay to the Servicers, *pari passu* and *pro rata* according to the amounts then due, any amount due and payable as restitution of the insurance price and relevant expenses advanced by the Servicers under the Servicing Agreement, in relation to the relevant Portfolio;

Twenty-second, to pay the Single Series Class C Notes Interest Payment Amount of the relevant series of Class C Notes, in each case to the extent such interest is due and payable on such Payment Date (*pro rata* according to the amounts then due);

Twenty-third, from (and including) the Payment Date on which the Senior Notes are repaid in full, to repay any amounts of principal due and payable to the relevant Limited Recourse Loan Provider under the Limited Recourse Loan Agreement;

Twenty-fourth, following full redemption of the Senior Notes, to redeem the Principal Amount Outstanding of the relevant series of Class C Notes in the maximum amount of the relevant Single Series Available Class C Notes Redemption Funds, provided that on the Payment Dates falling before December 2007, the amount which would be payable in redemption of each series of Class C Notes according to the foregoing shall be paid into the Principal Accumulation Account and shall become payable to the Class C Noteholders of such Series of Class C Notes on the Payment Date falling on December 2007 (in no order of priority inter se but *pro rata* to the extent of the respective amounts thereof);

Twenty-fifth, after full and final settlement of all the payments due under this Order of Priority and full redemption of all the Notes, to pay any surplus remaining on the balance of the relevant Transitory Collections and Recoveries Account, Single Portfolio Reserve Account and Principal Amortisation Reserve Account and the relevant Outstanding Notes Ratio of any surplus remaining on the balance of the Payments Account, the Collections and Recoveries Account, Principal Accumulation Account, Reserve Account and Expenses Account to each relevant Originator.

- 4.2 On each Payment Date with respect to which the Pre-Acceleration Order of Priority applies, following a written notice from the Computation Agent to the Issuer, the Liquidity Providers and the Representative of the Noteholders that a Class A Disequilibrium Event or a Class B Disequilibrium Event with respect to one or more Portfolios has occurred, the Issuer shall pay the relevant Principal Amortisation Reserve Amount into the respective Principal Amortisation Reserve Accounts in accordance with the Pre-Acceleration Order of Priority.

A Class A Disequilibrium Event shall occur with respect to a Portfolio, if on any Payment Date the Single Portfolio Available Funds relating to such Portfolio are not sufficient to pay

in full the amounts due under item *Eleventh* of the Pre-Acceleration Order of Priority while the Single Portfolio Available Funds relating to all or some of the other Portfolios are sufficient to pay in full the amounts due under such item.

A Class B Disequilibrium Event shall occur with respect to a Portfolio, if on any Payment Date the Single Portfolio Available Funds relating to such Portfolio are not sufficient to pay in full the amounts due under item *Thirteenth* of the Pre-Acceleration Order of Priority while the Single Portfolio Available Funds relating to all or some of the other Portfolios are sufficient to pay in full the amounts due under such item.

- 4.3 On each Payment Date with respect to which the Pre-Acceleration Order of Priority or the Cross Collateral Order of Priority applies, but excluding any Payment Date in relation to which a Class A Disequilibrium Event or Class B Disequilibrium Event has occurred, following a written notice from the Computation Agent to the Issuer, the Liquidity Providers and the Representative of the Noteholders that a Detrimental Event has occurred, the Issuer shall be obliged to credit the Reserve Amount into the Reserve Account, in accordance with the Pre-Acceleration Order of Priority or the Cross Collateral Order of Priority.

A Detrimental Event shall occur with respect to a Payment Date when the Advances to be drawn under the Liquidity Agreement to provide liquidity support with respect to the Portfolios on such Payment Date together with all Advances drawn thereunder on the previous Payment Dates and not yet fully reimbursed to the Liquidity Providers is an amount equal to or higher than 20% of the Maximum Commitment Amount or the Subsequent Maximum Commitment Amount (as applicable).

- 4.4 On each Payment Date with respect to which the Pre-Acceleration Order of Priority applies, but excluding any Payment Date in relation to which a Class A Disequilibrium Event or Class B Disequilibrium Event has occurred, following a written notice from the Computation Agent to the Issuer, the Liquidity Providers and the Representative of the Noteholders, that a Single Portfolio Detrimental Event has occurred with respect to one or more Portfolios, the Issuer shall be obliged to credit the Single Portfolio Reserve Amount with respect to the relevant Portfolios into the relevant Single Portfolio Reserve Account.

A Single Portfolio Detrimental Event shall occur with respect to a Payment Date and to a Portfolio, when the Advances to be made available to the Issuer under the Liquidity Agreement on such Payment Date by a Liquidity Provider in relation to its respective Portfolio, together with any Advance made available by such Liquidity Provider on previous Payment Dates and not yet fully reimbursed, is an amount equal to or higher than 50% of the Single Provider Maximum Commitment Amount or the Subsequent Single Provider Maximum Commitment Amount (as applicable) with respect to such Liquidity Provider. Upon the occurrence of a Single Portfolio Detrimental Event with respect to one or more Portfolios, and on each following Payment Date until such event is continuing, the Issuer shall be obliged to credit the Single Portfolio Reserve Amount with respect to the each Portfolio having enough funds available for such purpose into the relevant Single Portfolio Reserve Account.

4.5 ***Acceleration Order Of Priority***

In each of the following cases: (i) following the delivery of a Trigger Notice, (ii) in the case of Redemption for Taxation, or (iii) in the case of Optional Redemption, the Issuer Available Funds shall be applied on each Payment Date in making the following payments in the following order of priority (in each case, only if and to the extent that payments of a higher priority have been made in full):

First (*pari passu* and *pro rata* to the extent of the respective amounts thereof) to pay (i) all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Issuer or to maintain it in good standing or to comply with the applicable legislation and regulations; (ii) all costs and taxes required to be paid in connection with the registration and deposit of the Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents; (iii) 50% (fifty percent.) of all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Irish Company or to maintain it in good standing or to comply with the applicable legislation and regulations until the CCF Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter; and (iv) 50% (fifty percent.) of all costs and taxes required to be paid to maintain the rating of the Investor Notes and in connection with the registration and deposit of the Investor Notes, or any notice to be given to the noteholders or the other parties to the documentation of the Irish Transaction until the CCF Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter; each of the above to the extent not met by utilising the amount standing to the credit of the Expenses Account;

Second, (*pari passu* and *pro rata* to the extent of the respective amounts thereof) to pay (i) the fees, expenses and all other amounts due to the Representative of Noteholders and the Security Trustee, (ii) 50% (fifty percent.) of all costs, fees and expenses incurred by the Investor Notes trustee or any receiver appointed in the enforcement of the collateral to the Investor Notes or otherwise arising from the acceleration of the Investor Notes until the CCF Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter; and (iii) 50% (fifty percent.) of all taxes and expenses required by law to be paid in relation to the Investor Notes until the CCF Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter; and (iv) 50% (fifty percent.) of the fees, expenses and all other amounts due to the Investor Notes trustee until the CCF Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter;

Third, (*pari passu* and *pro rata* to extent of the respective amounts thereof) to pay all amounts of interest due and payable to the Limited Recourse Loan Providers pursuant to the Limited Recourse Loan Agreement;

Fourth, to repay the Advances (if any) made under the Liquidity Agreement by any Liquidity Provider (*pro rata* according to the amounts then due);

Fifth, to pay into the Expenses Account the amount (if any) necessary to ensure that the balance standing to the credit of the Expenses Account as at such Payment Date is equal to the Retention Amount;

Sixth, (*pari passu* and *pro rata* to the extent of the respective amounts thereof) to pay (i) the fees, expenses and all other amounts due to the Cash Manager, the Computation Agent, the Agent Bank, the Operating Bank, the Transaction Bank, the English Transaction Bank, the Paying Agents, the Corporate Services Provider and the Stichting Corporate Services Provider and (ii) 50% (fifty percent.) of the fees, expenses and all other amounts due to the Rating Agencies, the Investor Notes principal paying agent, the Investor Notes agent bank, the Investor Notes custodian, the Luxemburg paying agent and the Irish Company administrator appointed under the Irish Transaction until the CCF Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter;

Seventh, to pay all amounts due and payable to the Swap Counterparty under the terms of the Swap Agreement other than any termination payment due to the Swap Counterparty upon termination of the Swap Agreement in circumstances where the Swap Counterparty is the Defaulting Party (as defined in the 1992 ISDA Master Agreement) but including, in any event the amount of any termination payment due and payable to the Swap Counterparty in relation to the termination of the Swap Transactions to the extent of any premium received (net of any

costs reasonably incurred by the Issuer to find a replacement swap counterparty), if any, by the Issuer from a replacement swap counterparty in consideration for entering into a swap transaction with the Issuer on the same terms as the Swap Transactions;

Eighth, to pay all the fees and expenses of the Servicers pursuant to the Servicing Agreement (*pro rata* according to the amounts then due), to the extent not expressly included in any following item;

Ninth, to pay all amounts of interest due and payable on the Class A Notes on such Payment Date (*pro rata* according to the amounts then due);

Tenth, to pay all amounts of interest due and payable on the Class B Notes on such Payment Date (*pro rata* according to the amounts then due);

Eleventh, to pay the Originators any amount due by the Issuer as a restitution of the indemnities paid by any of the Originators to the Issuer under the terms of the Warranty and Indemnity Agreement;

Twelfth, to pay the Principal Amount Outstanding on the Class A Notes on such Payment Date (*pro rata* according to the amounts then due) provided that the Available Class A Notes Redemption Funds with respect to the Payment Dates falling before December 2007 shall be paid into the Principal Accumulation Account and will become payable to the Class A Noteholders on the Payment Date falling on December 2007 (*pro rata* according to the amounts then due);

Thirteenth, after the Class A Notes have been redeemed in full, to pay the Principal Amount Outstanding on the Class B Notes on such Payment Date (*pro rata* according to the amounts then due) provided that the Available Class B Notes Redemption Funds with respect to the Payment Dates falling before December 2007 shall be paid into the Principal Accumulation Account and will become payable to the Class B Noteholders on the Payment Date falling on December 2007 (*pro rata* according to the amounts then due);

Fourteenth, to pay *pari passu* and *pro rata*, according to the amounts then due, all amounts of interest due and payable on the Advances made by the Liquidity Providers;

Fifteenth to pay any termination payment due and payable to the Swap Counterparty under the terms of the Swap Agreement upon termination of the Relevant Swap Transaction in circumstances where the Swap Counterparty is the Defaulting Party other than the payments referred to under item *Seventh* above;

Sixteenth, to pay to each of the Originators the Interest Accruals with respect to the relevant Portfolio (*pro rata* according to the amounts then due);

Seventeenth, to pay to the Originators any amount due and payable in respect of purchase price adjustments due in relation to their respective Claims not listed under the Transfer Agreement but matching the criteria listed in the Transfer Agreement and any amount due and payable by the Issuer pursuant to the Warranty and Indemnity Agreement (save for amounts due and payable as restitution of indemnities paid by the Originators under the Warranty and Indemnity Agreement referred under item *Eleventh* above);

Eighteenth, to pay to the Servicers, *pari passu* and *pro rata* according to the amounts then due and payable, as restitution of the insurance price and relevant expenses advanced by the Servicer under the Servicing Agreement;

Nineteenth, to pay the Single Series Class C Notes Interest Payment Amount due and payable on each series of Class C Notes (*pari passu* and *pro rata* to the extent of the respective amounts thereof);

Twentieth, from (and including) the Payment Date on which the Senior Notes are repaid in full, to repay any amounts of principal due and payable to the Limited Recourse Loan Providers under the Limited Recourse Loan Agreement (*pari passu* and *pro rata* according to the amounts then due);

Twenty-first, following full redemption of the Senior Notes, to redeem the Principal Amount Outstanding of each series of Class C Notes in the maximum amount of the relevant Single Series Available Class C Notes Redemption Funds (*pari passu* and *pro rata* to the extent of the respective amounts thereof) provided that the Single Series Available Class C Notes Redemption Funds with respect to the Payment Dates falling before December 2007 and to each series of Class C Notes shall be paid into the Principal Accumulation Account and shall become payable to the Class C Noteholders on the Payment Date falling on December 2007 (*pari passu* and *pro rata* to the extent of the respective amounts thereof);

Twenty-second, to pay any surplus to the Originators.

4.6 ***Cross Collateral Order Of Priority***

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

First (*pari passu* and *pro rata* to the extent of the respective amounts thereof), to pay (i) all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Issuer or to maintain it in good standing or to comply with the applicable legislation and regulations; (ii) all costs and taxes required to be paid in connection with the registration and deposit of the Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents; (iii) 50% (fifty percent.) of all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Irish Company or to maintain it in good standing or to comply with the applicable legislation and regulations until the CCF Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter; and (iv) 50% (fifty percent.) of all costs and taxes required to be paid to maintain the rating of the Investor Notes and in connection with the registration and deposit of the Investor Notes, or any notice to be given to the noteholders or the other parties to the documentation of the Irish Transaction until the CCF Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter; each of the above to the extent not met by utilising the amount standing to the credit of the Expenses Account;

Second, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) (i) (a) the fees, expenses and all other amounts due to the Representative of Noteholders and the Security Trustee (b) 50% (fifty percent.) of the fees, expenses and all other amounts due to the Investor Notes trustee until the CCF Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter; and (ii) upon payment in full of the amounts due to the Representative of the Noteholders, the Security Trustee and the Investor Notes trustee under paragraph (i), (*pari passu* and *pro rata* to the extent of the respective amounts thereof) all amount of interest due and payable to the relevant Limited Recourse Loan Provider pursuant to the Limited Recourse Loan Agreement;

Third, to repay the Advances (if any) made under the Liquidity Agreement by any Liquidity Provider (*pro rata* according to the amounts then due);

Fourth, to pay into the Expenses Account the amount (if any) necessary to ensure that the balance standing to the credit of the Expenses Account as at such Payment Date is equal to the Retention Amount;

Fifth, (*pari passu* and *pro rata* to the extent of the respective amounts thereof) to pay (i) the fees, expenses and all other amounts due to the Cash Manager, the Computation Agent, the Agent Bank, the Operating Bank, the Transaction Bank, the English Transaction Bank, the Paying Agents, the Corporate Services Provider and the Stichting Corporate Services Provider, and (ii) 50% (fifty percent.) of the fees, expenses and all other amounts due to the Rating Agencies, the Investor Notes principal paying agent, the Investor Notes agent bank, the Investor Notes custodian, the Luxemburg paying agent and the Irish Company administrator appointed under the Irish Transaction until the CCF Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter;

Sixth, to pay all amounts due and payable to the Swap Counterparty under the terms of the Swap Agreement other than any termination payment due to the Swap Counterparty upon termination of the Swap Agreement in circumstances where the Swap Counterparty is the Defaulting Party (as defined in the 1992 ISDA Master Agreement) but including, in any event the amount of any termination payment due and payable to the Swap Counterparty in relation to the termination of the Swap Transactions to the extent of any premium received (net of any costs reasonably incurred by the Issuer to find a replacement swap counterparty), if any, by the Issuer from a replacement swap counterparty in consideration for entering into a swap transaction with the Issuer on the same terms as the Swap Transactions;

Seventh, to pay the fees and expenses of the Servicers pursuant to the Servicing Agreement *pro rata* according to the amounts then due (to the extent not expressly provided in any following item);

Eighth, to pay all amounts of interest due and payable on the Class A Notes on such Payment Date (*pro rata* according to the amounts then due);

Ninth, on any Payment Date with respect to which a Class B Notes Subordination Event has not occurred, to pay all amounts of interest due and payable on the Class B Notes on such Payment Date (*pro rata* according to the amounts then due);

Tenth, to pay to the Originators any amount due by the Issuer as a restitution of the indemnities paid by any of the Originators to the Issuer under the terms of the Warranty and Indemnity Agreement;

Eleventh, to pay (*pro rata* and *pari passu* to the extent of the respective amounts thereof) the Class A Notes Principal Payment Amount then due with respect to such Payment Date and the Class A Notes Principal Payment Amount due with respect to previous Payment Dates but unpaid, *provided that* on the Payment Dates falling before December 2007 the amount which would be payable to the Class A Noteholders according to the foregoing will be paid into the Principal Accumulation Account and will become payable to the Class A Noteholders on the Payment Date falling on December 2007 (*pro rata* according to the amounts then due);

Twelfth, (i) on any Payment Date on which a Class B Notes Subordination Event has occurred to pay all amounts of interest due and payable on the Class B Notes on such Payment Date (*pro rata* according to the amounts then due); (ii) after payment of the amounts due under item (i) if a Class B Notes Disequilibrium has occurred, after the Class A Notes have been redeemed in full, to pay (*pro rata* and *pari passu* to the extent of the respective amounts thereof) the Class B Notes Principal Payment Amount with respect to such Payment Date and the Class B Notes Principal Payment Amount due with respect to previous Payment Dates but unpaid; *provided that* on the Payment Dates falling before December 2007, the amount which

would be payable to the Class B Noteholders according to the foregoing will be paid into the Principal Accumulation Account and will become payable to the Class B Noteholders on the Payment Date falling on December 2007 (*pro rata* according to the amounts then due);

Thirteenth, to pay *pari passu* and *pro rata*, all amounts of interest due and payable on the Advances made to the Issuer by the Liquidity Providers;

Fourteenth, to pay any termination payment due and payable to the Swap Counterparty under the terms of the Swap Agreement upon termination of the Relevant Swap Transactions in circumstances where the Swap Counterparty is the Defaulting Party other than the payments referred to under item *Sixth* above;

Fifteenth, on any Payment Date with respect to which a Detrimental Event has occurred, to pay the Reserve Amount Quota into the Reserve Account;

Sixteenth, to pay to each of the Originators the Interest Accruals with respect to the relevant Portfolio (*pro rata* according to the amounts then due);

Seventeenth, to pay to the Originators any amount due and payable in respect of purchase price adjustments due in relation to their respective Claims, not listed under the relevant Transfer Agreement but matching the criteria listed in the Transfer Agreement, and any amount due and payable by the Issuer pursuant to the Warranty and Indemnity Agreement (save for amounts due and payable as a restitution of indemnities paid by the Originator of such Portfolio, referred to under item *Tenth* above);

Eighteenth, to pay to the Servicers, *pari passu* and *pro rata*, according to the amounts then due and payable as restitution of the insurance price and relevant expenses advanced by the Servicers under the Servicing Agreement;

Nineteenth, to pay the Single Series Class C Notes Interest Payment Amount due and payable on each series of Class C Notes, in each case to the extent such interest is due and payable on such Payment Date (*pari passu* and *pro rata* to the extent of the respective amounts thereof);

Twentieth, from (and including) the Payment Date on which the Senior Notes are repaid in full, to repay any amounts of principal due and payable to the Limited Recourse Loan Providers under the Limited Recourse Loan Agreements (*pari passu* and *pro rata* according to the amounts then due);

Twenty-first, following full redemption of the Senior Notes, to redeem the Principal Amount Outstanding of the relevant series of Class C Notes in the maximum amount of the relevant Single Series Available Class C Notes Redemption Funds, provided that on the Payment Dates falling before December 2007, the amount which would be payable in redemption of each series of Class C Notes according to the foregoing shall be paid into the Principal Accumulation Account and shall become payable to the Class C Noteholders of such Series of Class C Notes on the Payment Date falling on December 2007 (in no order of priority inter se but *pro rata* to the extent of the respective amounts thereof);

Twenty-second, after full and final settlement of all the payments due under this Order of Priority and full redemption of all the Notes, to pay any surplus remaining on the balance of the relevant Transitory Collections and Recoveries Account, Single Portfolio Reserve Account and Principal Amortisation Reserve Account and the relevant Outstanding Notes Ratio of any surplus remaining on the balance of the Payments Account, the Collections and Recoveries Account, Principal Accumulation Account, Reserve Account and Expenses Account to each relevant Originator.

A Class B Notes Subordination Event shall occur when the Default Ratio is equal to or higher than 12.35%.

5. INTEREST

5.1 *Payment Dates and Interest Periods*

Each of the Senior Notes bears interest on its Principal Amount Outstanding from (and including) the Issue Date at a rate equal to Three Month EURIBOR (see below), (or in the case of the Initial Interest Period, the linear interpolation between the Euribor for six month and seven month deposits in Euro) plus a margin.

Save as provided for in Condition 5.8 (*Unpaid Interest*), interest in respect of the Senior Notes is payable quarterly in arrears on each Payment Date in Euro.

Interest in respect of each series of the Class C Notes is payable quarterly in arrears on each Payment Date in Euro in an amount equal to the relevant Single Series Class C Notes Interest Payment Amount as determined by the Computation Agent on the relevant Calculation Date.

Interest in respect of any Interest Period or any other period will be calculated on the basis of the actual number of days elapsed and a 360 day year, provided that to the purpose of calculating Interests accrued on the Senior Notes on each Interest Period the actual number of days elapsed in the Corresponding Irish Company Interest Period shall be counted.

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 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 from time to time applicable to the Notes until the monies in respect thereof have been received by the Principal Paying Agent on behalf of the relevant Noteholders and notice to that effect is given by the Issuer in accordance with Condition 13 (*Notices*).

5.2 *Interest Rate*

The rate of interest applicable from time to time in respect of each Class of Senior Notes ("**Interest Rate**") will be determined by the Agent Bank on the relevant Interest Determination Date.

There shall be no maximum or minimum Interest Rate. The Interest Rate applicable to each Class of Senior Notes for each Interest Period shall be the aggregate of:

5.2.1 the Relevant Margin (as defined below); and

5.2.2 (A) EURIBOR for three month deposits in Euro calculated as the arithmetic mean of the offered quotations to leading banks (rounded to three decimal places with the mid-point rounded up) for three month Euro deposits in the Euro-zone inter-bank market which appear on Page Euribor01 of Reuters Screen (or, in the case of the first Interest Determination Date only, the linear interpolation between the Screen Rate for Euribor for six month and seven month Euro deposits (the "**Additional Screen Rate**")) or (i) such other page as may replace Page Euribor01 on that service for the purpose of displaying such information or, (ii) if that service ceases to display such information, such page displaying such information on such equivalent service (or, if more than one, that one which is approved in writing by the Representative of the Noteholders to replace the Reuters Page) (the "**Screen Rate**"), at or about 11.00 a.m. (Milan time) on the relevant Interest Determination Date; or

(B) if the Screen Rate (or, in the case of the first Interest Determination Date only, the Additional Screen Rate) is unavailable at such time for three month Euro deposits, then the rate for the relevant Interest Period shall be the arithmetic mean (rounded to three decimal places with the mid-point rounded up) of the rates notified to the Agent Bank at its request by each of the Reference Banks (as defined in Condition 5.7 hereof) as the rate at which three month Euro deposits (or, in the case of the first Interest Determination Date only, the linear interpolation between the Screen Rate for six month and seven month Euro deposits) in a 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. (Milan time) on the relevant Interest Determination Date. If, on any such Interest Determination Date, only two of the Reference Banks provide such quotations to the Agent Bank, the rate for the relevant Interest Period shall be determined, as aforesaid, on the basis of the offered quotations of those Reference Banks providing such quotations. If, on any such Interest Determination Date, only one or none of the Reference Banks provides the Agent Bank with such quotation, the Agent Bank shall forthwith consult with the Representative of the Noteholders and the Issuer for the purpose of agreeing one additional bank (or, where none of the Reference Banks provides such a quotation, two additional banks) to provide such a quotation or quotations to the Agent Bank (which bank or banks is or are in the opinion of the Representative of the Noteholders suitable for such purpose) and the rate for the relevant Interest Period shall be determined, as aforesaid, on the basis of the offered quotations of such banks (or, as the case may be, the offered quotations of such bank and the relevant Reference Bank). If no such bank (or banks) is (or are) so agreed or such bank (or banks) as agreed does not (or do not) provide such a quotation (or quotations), then the rate for the relevant Interest Period shall be the rate in effect for the last preceding Interest Period to which sub-paragraph (A) of this Condition 5.2.2 shall have applied (the "**Three Month EURIBOR**").

Provided that, for the purpose of calculating the Additional Screen Rate, the linear interpolation based on the actual number of days elapsed between the Issue Date and 12 December 2006 shall be considered.

For the purpose of these Conditions the "**Relevant Margin**" shall be:

0.16% per annum in respect of the Class A Notes; and

0.46% per annum in respect of the Class B Notes.

5.3 ***Determination of the Interest Rate, Calculation of the Interest Amount and Single Series Class C Notes Interest Payment Amount***

5.3.1 The Agent Bank shall, on each Interest Determination Date:

- (i) determine the Interest Rate applicable to the Interest Period beginning after such Interest Determination Date (or in the case of the Initial Interest Period, beginning on and including the Issue Date); and
- (ii) calculate the Euro amount (the "**Interest Amount**") payable on each Class of Senior Notes in respect of such Interest Period. The Interest Amount payable in respect of any Interest Period shall be calculated by applying the relevant Interest Rate to the Principal Amount Outstanding of the each Class of Senior Notes on the Payment Date at the commencement of such Interest Period (after deducting therefrom any payment of principal due on that Payment Date) or, in the case of the Initial Interest Period, on the Issue Date, and by multiplying the product of such calculation by the actual number of days elapsed in the Corresponding Irish Company Interest Period

divided by 360, and rounding the resultant figure to the nearest cent (half a cent being rounded up).

5.3.2 The Computation Agent shall on each Calculation Date determine with respect to each Series of Class C Notes, the Single Series Class C Notes Interest Payment Amount (if any) applicable on the Payment Date following such Calculation Date.

5.4 ***Publication of the Interest Rate and the Interest Amount***

The Agent Bank will cause the Interest Rate and the Interest Amount applicable to each Interest Period and the Payment Date in respect of such Interest Amount, to be notified promptly after their determination to the Issuer, the Representative of the Noteholders, the Computation Agent, the Servicers, the Transaction Bank, the English Transaction Bank, Monte Titoli, Euroclear, Clearstream, the Italian Paying Agent, the Security Trustee and will cause the same to be published in accordance with Condition 13 (Notices) hereof 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.

5.5 ***Determination and Calculation by the Representative of the Noteholders***

If the Agent Bank does not at any time for any reason determine the Interest Rate and/or does not calculate the Interest Amount, or the Computation Agent does not determine the Single Series Class C Notes Interest Payment Amount, in accordance with Condition 5.3 above, the Representative of the Noteholders shall:

5.5.1 determine the Interest Rate at such rate as (having regard to the procedure described in Condition 5.2 above) it shall consider fair and reasonable in all circumstances; and/or (as the case may be),

- (1) calculate the Interest Amount in the manner specified in Condition 5.3 above;
- (2) calculate the Single Series Class C Notes Interest Payment Amount;

and any such determination and/or calculation shall be deemed to have been made by the Agent Bank and/or the Computation Agent as applicable.

5.6 ***Notification to be final***

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 5, whether by the Reference Banks (or any of them), the Agent Bank, the Computation Agent, the Issuer or the Representative of the Noteholders shall (in the absence of wilful default (*dolo*) or gross negligence (*colpa grave*)) be binding on the Reference Banks, the Agent Bank, the Computation Agent, the Issuer, the Representative of the Noteholders and all the Noteholders and (in such absence as aforesaid) no liability to the Noteholders shall attach to the Reference Banks, the Agent Bank, 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 discretions hereunder.

5.7 ***Reference Banks and Agent Bank***

The Issuer shall ensure that, so long as any of the Notes remains outstanding, there shall at all times be three Reference banks (the "**Reference Banks**") and the Agent Bank. The initial Reference Banks shall be Banca Intesa S.p.A., SANPAOLO Imi S.p.A. and Banca di Roma

S.p.A. In the event of any such bank is unable or unwilling to continue to act as a Reference Bank or that any of the merge with another 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. The Issuer shall insure that at all times an Agent Bank is appointed. If a new Agent Bank is appointed, a notice will be published in accordance with Condition 13 (*Notices*).

5.8 ***Unpaid Interest***

Without prejudice to Condition 2.1, in the event that the Single Portfolio Available Funds or the Issuer Available Funds available to the Issuer on any Payment Date (in accordance with the Pre-Acceleration Order of Priority the Cross Collateral Order of Priority or the Acceleration Order of Priority, as applicable), for the payment of interest due on the Senior Notes and /or the Single Series Class C Notes Interest Amount on such Payment Date are not sufficient to satisfy in full the aggregate amount of such interest, the amount by which the aggregate amount of interest paid on such Payment Date falls short of the aggregate amount of interest which would otherwise be due shall accrue interest with respect to each Interest Period during which it remains outstanding at the Interest Rate and shall be aggregated with the amount of, and treated for the purposes of these Conditions as if it were, interest due on the Senior Notes and /or the Class C Notes on the immediately following Payment Date.

The Issuer shall arrange for notice to be given forthwith by the Agent Bank to the Representative of the Noteholders, the Paying Agents and the Computation Agent and will cause notice to that effect to be given to the Noteholders in accordance with Condition 13 (*Notices*), no later than three Business Days prior to any Payment Date, of any Payment Date on which, pursuant to this Condition 5.8, interest on the Notes will not be paid in full.

6. **REDEMPTION, PURCHASE AND CANCELLATION**

6.1 ***Final Redemption***

Unless previously redeemed in full as provided for in this Condition 6, the Issuer shall redeem in whole the Notes at their Principal Amount Outstanding on the Final Maturity Date.

The Issuer may not redeem the Senior Notes in whole or in part prior to the Final Maturity Date except as provided for in Conditions 6.2, 6.3, 6.4 or 6.5 below, but without prejudice to Condition 9 (*Trigger Events*).

If any Class of Notes cannot be redeemed in full on the Final Maturity Date, as a result of the Issuer having insufficient Issuer Available Funds for application in or towards such redemption, any amount outstanding whether in respect of interest, principal or other amounts in relation to the Notes shall be finally and definitely cancelled.

6.2 ***Redemption for Taxation***

A) If the Issuer has provided the Representative of the Noteholders with: (i) a legal opinion in form and substance satisfactory to the Representative of the Noteholders from a firm of lawyers (approved in writing by the Representative of the Noteholders); and (ii) a certificate from the legal representative of the Issuer, to the effect that the Issuer:

- (i) would be required on the next Payment Date to deduct or withhold (other than in respect of a Law 239 Deduction) from any payment of principal or interest on the Senior Notes, any amount for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature

imposed, levied, collected, withheld or assessed by the Republic of Italy or any political or administrative sub-division thereof or any authority thereof or therein (or that amounts payable to the Issuer in respect of the Portfolios and/or the Swap Agreement would be subject to withholding or deduction); or

- (ii) has become liable to *imposta sul reddito delle società (IRES)* or to *imposta regionale sulle attività produttive (IRAP)* with respect to income arising from any of the Portfolios or the Swap Agreement; and/or

B) if under the CCF Securitisation, pursuant to condition 6.2 (*Redemption for Taxation*) of the terms and conditions of the CCF Notes, (i) CCF give a written notice to the Representative of the Noteholders, the Servicers and the Noteholders and (ii) the class A CCF Noteholders representing at least 75% of the principal amount outstanding of the class A CCF Notes or, after full redemption of the class A CCF Notes, the class B CCF Notes holders representing at least 75% of the principal amount outstanding of the class B CCF Notes, have instructed CCF to redeem the CCF Notes (in whole but not in part), and/or

C) if under the Irish Transaction, pursuant to condition 6.2 (*Redemption for Taxation*) of the terms and conditions of the Investor Notes, (i) the Irish Company gives a written notice to the Investor Notes trustee and to the holders of the Investor Notes in accordance with condition 11 of the terms and conditions of the Investor Notes and (ii) the class A Investor Notes holders representing at least 75% of the principal amount outstanding of the class A Investor Notes or, after full redemption of the class A Investor Notes, the class B Investor Notes holders representing at least 75% of the principal amount outstanding of the class B Investor Notes, have instructed the Irish Company to redeem the Investor Notes (in whole but not in part), and in each case, the Issuer will have the necessary funds (not subject to the interests of any other person) to discharge all of its outstanding liabilities with respect of the relevant Class of Notes and any amounts required under the Intercreditor Agreement to be paid in priority to, or *pari passu* with, each Notes,

the Issuer may under A) and must under B) and C) above, on the first Payment Date on which such necessary funds become available to it, redeem the Senior Notes (in whole but not in part) at their Principal Amount Outstanding together with all accrued but unpaid interest thereon up to and including the relevant Payment Date and on such Payment Date the Acceleration Order of Priority will become applicable, provided that prior to such Payment Date (a) the Issuer shall have given prior written notice to the Representative of the Noteholders, to the Servicers and to the Noteholders in accordance with Condition 13 (Notices), and (b) Class A Noteholders representing at least 75% of the Principal Amount Outstanding of the Class A Notes or, after full redemption of the Class A Notes, Class B Noteholders representing at least 75% of the Principal Amount Outstanding of the Class B Notes, shall have instructed the Issuer to redeem the Notes (in whole but not in part).

The Issuer shall promptly give notice of such instructions to the representative of the holders of the CCF Notes and to the Investor Notes trustee.

Upon redemption of the Senior Notes in accordance with this Condition 6.2 the Issuer shall apply any Issuer Available Funds which may be applied for this purpose in accordance with the Acceleration Order of Priority to the redemption of the Class C Notes.

6.3 ***Mandatory Redemption***

The Senior Notes will be subject to mandatory redemption in full or in part:

- A. on the Payment Date falling on December 2007 and on each Payment Date falling thereafter, in a maximum amount equal to the Principal Payment Amount with respect to such Payment Date,
- B. on any Payment Date: (i) following the delivery of a Trigger Notice pursuant to Condition 9.1; (ii) in the case of Redemption for Taxation pursuant to Condition 6.2; or (iii) in the case of the Issuer exercising the Optional Redemption pursuant to Condition 6.4, at their Principal Amount Outstanding,

if, on each Calculation Date preceding such Payment Date, it is determined that the Single Portfolio Available Funds or Issuer Available Funds will be sufficient and may be applied for this purpose in accordance with the Pre-Acceleration Order of Priority, the Cross Collateral Order of Priority or the Acceleration Order of Priority, as applicable.

Each series of the Class C Notes will be subject to mandatory redemption in full or in part, on any Payment Date, at their Principal Amount Outstanding, in a maximum amount equal to the relevant Single Series Class C Available Redemption Funds if, on the Calculation Date preceding such Payment Date, it is determined that there will be sufficient Single Portfolio Available Redemption Funds or Issuer Available Funds which may be applied for this purpose in accordance with the Pre-Acceleration Order of Priority, the Cross Collateral Order of Priority or the Acceleration Order of Priority, as applicable.

6.4 ***Optional Redemption***

The Issuer may redeem the Notes in whole (but not in part) at their respective Principal Amount Outstanding, together with interest accrued and unpaid up to the date fixed for redemption, on any Payment Date falling after the Payment Date on December 2007, if at the preceding Calculation Date the aggregate principal outstanding amount of the Portfolios is equal to or less than 10% of the lesser of (i) the aggregate principal outstanding amount of the Portfolios as of the Effective Date and (ii) the Purchase Price (each such Payment Date, the "**Clean Up Option Date**").

Such optional redemption shall be effected by the Issuer giving not more than forty-five (45) nor less than fifteen (15) days' prior written notice to the Representative of the Noteholders and to the Senior Noteholders in accordance with Condition 13 (*Notices*) and provided that the Issuer, prior to giving such notice to the Representative of the Noteholders, has produced evidence reasonably acceptable to the Representative of the Noteholders that it will have the necessary funds, not subject to interests of any other Person, to discharge all its outstanding liabilities in respect of the Senior Notes and any amounts required under the Intercreditor Agreement to be paid in priority to or *pari passu* with each Class of Senior Notes.

6.5 ***Sale of the Portfolios***

In the following circumstances:

- (i) in case of Redemption for Taxation pursuant to Condition 6.2;
- (ii) in case of Optional Redemption pursuant to Condition 6.4;
- (iii) after a Trigger Notice has been served on the Issuer (with a copy to the Servicers) pursuant to Condition 9, if a number of Class A Noteholders representing at least 75% of the Principal Amount Outstanding of the Class A Notes or, after full redemption of the Class A Notes, a number of Class B Noteholders representing at least 75% of the Principal Amount Outstanding of the Class B Notes, or, after full redemption of the Senior Notes, a number of Class C Noteholders representing at least 75% of the

Principal Amount Outstanding of the Class C Notes resolve to request to the Issuer to sell all (but not only part) of the Claims to third parties,

the Issuer is authorised, with the assistance of the Computation Agent and the Representative of the Noteholders, to search for potential purchasers for all (but not only some) of the Portfolios.

In addition, following the delivery of a Trigger Notice, the Representative of the Noteholders shall be entitled to sell the Portfolios.

In case of the sale of the Portfolio to a transferee that does not have a current rating assigned by S&P or that has a current rating in the non investment-grade category, the following documents shall be provided to S&P within the date on which the transfer becomes effective: (i) good standing certificate of the transferee (issued from the relevant) Chamber of Commerce showing that is not, and has not been in the past five years, subject to any insolvency or reorganization proceedings, and (ii) certificate from the appropriate bankruptcy court confirming that no insolvency petitions have been filed against the transferee in the past five years, and (iii) solvency certificate signed by the managing director ("*amministratore delegato o unico*") or the finance director ("*direttore finanziario*") of the transferee.

Should a sale of the Portfolios take place, the proceeds of such sale shall be treated by the Issuer as the Issuer Available Funds and as from the immediately subsequent Payment Date, shall be applied for payments due to be made by the Issuer in accordance with the Acceleration Order of Priority.

Pursuant to the Intercreditor Agreement the Class C Noteholders undertook that following the sale of the Portfolios pursuant to Clause 2.4(vii) of such agreement, they shall reach an agreement for the distribution of the revenues of such sale, available in relation to payments under items *Twenty-first* and *Twenty-second* of the Acceleration Order of Priority, in proportion to its participation to the Transaction and to the Outstanding Principal of the Defaulted Claims of each Portfolio as at the date on which the sale of the Portfolios pursuant to Clause 2.4(vii) of such agreement take place.

Each series of the Class C Notes will be subject to mandatory redemption in full or in part, on any Payment Date, at their Principal Amount Outstanding, in a maximum amount equal to the relevant Single Series Class C Available Redemption Funds if, on the Calculation Date preceding such Payment Date, it is determined that there will be sufficient Single Portfolio Available Redemption Funds or Issuer Available Funds which may be applied for this purpose in accordance with the Pre-Acceleration Order of Priority, the Cross Collateral Order of Priority or the Acceleration Order of Priority, as applicable.

6.6 *Notice of Redemption*

Any such notice as is referred to in Conditions 6.2 and 6.4 above shall be irrevocable and, upon the expiration of such notice, the Issuer shall be obliged to redeem the Notes in accordance with this Condition 6.

6.7 *Principal Payments Available Redemption Funds and Principal Amount Outstanding*

On each Calculation Date the Issuer shall determine or procure that the Computation Agent determines, *inter alia*, (on the Issuer's behalf):

- (a) the amount of the Available Redemption Funds with respect to the following Payment Date (if any);

- (b) the amount of any principal payment payable on the Senior Notes and the Class C Notes on the following Payment Date and, for the Payment Dates prior to December 2007, the amounts of principal to be retained in each of the Principal Accumulation Accounts; and
- (c) the Principal Amount Outstanding of each Class of Notes on the following Payment Date (after deducting any principal payment due to be made on the Notes on that Payment Date).
- (d) with respect to each Series of Class C Notes, the amount of the relevant Single Series Class C Notes Interest Payment Amount;
- (e) with respect to each Portfolio: (i) the amount of the relevant Single Portfolio Amortised Principal and Single Portfolio Available Funds (if any); and (ii) the amount of the relevant Single Portfolio Class A Notes Principal Amount Outstanding, Single Portfolio Class B Notes Principal Amount Outstanding, Single Portfolio Class A Notes Principal Payment Amount, Single Portfolio Class B Notes Principal Payment Amount and Single Portfolio Notes Principal Amount Outstanding;
- (f) the amount of the Principal Amortisation Reserve Amounts, Reserve Amount, Reserve Amount Quotas or Single Portfolio Reserve Amounts (if any) and the Senior Costs;
- (g) all payments due to be done by the Issuer on the immediately following Payment Date and at least 3 (three) Business Days prior to each Payment Date, deliver to the Representative of the Noteholders, the Servicers, the Operating Bank, the Transaction Bank, the English Transaction Bank, the Principal Paying Agent, the Italian Paying Agent, the Swap Counterparty, the Investor Notes agent bank and the Irish Company a payment report setting out all such payments in the form which shall be agreed by the Parties (the "**Payment Report**").

Each determination by or on behalf of the Issuer of Available Redemption Funds, the Principal Payment on each Note, the Principal Amount Outstanding of each Note and on each Class of Notes shall in each case (in the absence of wilful default, gross negligence, bad faith or manifest error) be final and binding on all persons.

The Issuer shall, no later than four Business Days prior to each Payment Date, cause each determination of a principal payment (if any) and Principal Amount Outstanding of the Notes to be notified forthwith by the Computation Agent to the Representative of the Noteholders, the Servicers, the Transaction Bank, the English Transaction Bank, Euroclear, Clearstream, the Paying Agents and Monte Titoli and shall cause notice of each determination of a principal payment and Principal Amount Outstanding of each Class of Notes to be given to the Noteholders in accordance with Condition 13 (*Notices*). As long as the Notes are not redeemed in full, if no principal payment is due to be made on the Notes on a Payment Date, notice to this effect shall also be given by the Issuer to the Noteholders in accordance with Condition 13 (*Notices*).

If no principal payment or Principal Amount Outstanding of the Notes is determined by or on behalf of the Issuer in accordance with the provisions of this Condition 6.7, such principal payment or Principal Amount Outstanding of the Notes shall be determined by the Computation Agent in accordance with this Condition 6.7 and each such determination shall be deemed to have been made by the Issuer.

6.8 *No purchase by Issuer*

The Issuer shall not purchase any of the Notes.

6.9 ***Cancellation***

All Notes redeemed in full will be cancelled upon redemption and may not be re-sold or re-issued.

7. **PAYMENTS**

7.1 The Principal Paying Agent and the Italian Paying Agent shall arrange for payment of principal and interest in respect of the Notes to be made through the relevant operators of Monte Titoli, Clearstream and Euroclear to the accounts of the beneficial owners of the Notes with such operators in accordance with the rules and procedures of Monte Titoli, Clearstream and Euroclear, as the case may be.

7.2 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.

7.3 If the due date for any payment of principal and/or interest (or any later date on which any Note could otherwise be presented for payment) is not a Business Day, the Noteholders will not be entitled to payment of the relevant amount until the immediately following Business Day. The Noteholders will not be entitled to any interest or other payment in consequence of any delay in receiving the amount due as a result of the due date not being a Business Day.

The Issuer will cause at least 30 days prior notice to be given of any change in or addition to the Paying Agents or their registered offices in accordance with Condition 13 (*Notices*).

8. **TAXATION**

All payments with respect to the Notes will be made without withholding or deduction for or on account of any present or future taxes, duties or charges of whatever kind other than a Law 239 Deduction or any other withholding or deduction required to be made by any applicable law. Neither the Issuer nor any other Person shall be obliged to pay any additional amount to any Noteholder as a consequence of any such withholding or deduction.

9. **TRIGGER EVENTS**

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

(a) *Non-payment*

(i) having enough Single Portfolio Available Funds or Issuer Available Funds available to it to make such payment in accordance with the Pre-Acceleration Order of Priority, the Cross Collateral Order of Priority or the Acceleration Order of Priority as applicable, the Issuer defaults in the payment of the amount of principal then due and payable on the Senior Notes for a period of five Business Days from the due date thereof;

(ii) irrespective of whether there are Single Portfolio Available Funds or Issuer Available Funds available to it sufficient to make such payment in accordance with the Pre-Acceleration Order of Priority, the Cross Collateral Order of Priority or the Acceleration Order of Priority as applicable, the Issuer defaults in the payment of the amount of interest then due and payable on the Most Senior Class of Senior Notes for a period of three Business Days from the due date thereof; or

(b) *Breach of other obligations*

the Issuer defaults in the performance or observance of any of its obligations under or in respect of the Notes or any of the Transaction Documents to which it is a party (other than any obligation for the payment of principal or interest on the Notes) and such default remains unremedied for thirty days after the Representative of the Noteholders has given written notice thereof to the Issuer, certifying that such default is, in the opinion of the Representative of the Noteholders, materially prejudicial to the interests of the Noteholders and requiring the same to be remedied; or

(c) *Insolvency etc.*

(a) an administrator, administrative receiver or liquidator of the Issuer or of the whole or any substantial part of the undertakings, assets and/or revenues of the Issuer is appointed or the Issuer becomes subject to any bankruptcy, liquidation, administration, insolvency, composition, reorganisation or similar proceedings or application is made for the commencement of any such proceedings or an encumbrancer takes possession of the whole or any substantial part of the undertakings, revenues and/or assets of the Issuer;

(b) proceedings are initiated against the Issuer under any applicable bankruptcy, liquidation, administration, insolvency, composition, reorganisation or similar laws and such proceedings are not, in the opinion of the Representative of the Noteholders, being disputed in good faith;

(c) the Issuer takes any action for a readjustment or deferment of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or is granted by a competent court a moratorium in respect of its indebtedness or any guarantee of its indebtedness given by it or applies for bankruptcy or suspension of payments; or

(d) *Winding up etc.*

an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer except a winding up for the purposes of or pursuant to an amalgamation or reconstruction, the terms of which have been previously approved in writing by the Representative of the Noteholders or by an extraordinary resolution of the Noteholders pursuant to the Rules of the Organisation of the Noteholders; or

(e) *Unlawfulness*

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

(f) *Trigger notice under the CCF Securitisation and the Irish Transaction*

A trigger notice has been delivered under the CCF Securitisation (by the CCF Notes representative of the noteholders), and/or a default notice has been delivered under the Irish Transaction (by the Investor Notes trustee)

then the Representative of the Noteholders shall, if so requested in writing by the holders of at least 25% of the aggregate Principal Amount Outstanding of the Senior Notes, give a written notice (a "**Trigger Notice**") to the Issuer (with copy to each of the Servicers) declaring that the Notes have

immediately become due and payable at their Principal Amount Outstanding, together with accrued interest, and that the Acceleration Order of Priority shall apply. Notwithstanding the foregoing, if a Trigger Event under (f) occurs, then the Representative of the Noteholders shall in any case deliver a Trigger Notice to the Issuer (with a copy to each of the Servicers). Following the delivery of a Trigger Notice, without any further action or formality, on the immediately following Payment Date, and on each Payment Date thereafter, all payments of principal, interest and other amounts due with respect to the Notes shall be made in accordance with the Acceleration Order of Priority.

10. CROSS COLLATERAL EVENTS

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

(a) Disequilibrium Event

- (i) with respect to four successive Payment Dates, a Class A Disequilibrium Event occurs; or
- (ii) with respect to eight successive Payment Dates, a Class B Disequilibrium Event occurs;

(b) Default Ratio

The Default Ratio, as at any Collection Date, is higher than the ratio of 0.0475; or

(c) Liquidity Agreement

On any Payment Date (i) the aggregate of the Single Portfolio Negative Balances or (ii) the Negative Balance (as applicable) with respect to such Payment Date is equal to or exceeds the Available Commitment Amount (including any amount that will be reimbursed to the Liquidity Provider on such Payment Date) to the Issuer on such Payment Date under the terms of the Liquidity Agreement;

then the Representative of the Noteholders, upon having received a notice thereof from the Computation Agent shall serve a written notice (a "**Cross Collateral Notice**") to the Issuer (with a copy to each Servicer) and from the immediately following Payment Date the Acceleration Order of Priority shall apply without any further action or formality.

11. ENFORCEMENT

At any time after the delivery of a Trigger Notice, the Representative of the Noteholders may, at its discretion and without further 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 interest accrued thereon, but it shall not be bound to take any such steps and/or institute any such proceedings unless:

- 11.1 it shall have been so requested in writing by the holders of at least 25% of the aggregate Principal Amount Outstanding of the Senior Notes or unless it shall have been so directed by a resolution of the Class A Noteholders or upon the redemption in full of the Class A Notes, the Class B Noteholders or, upon the redemption in full of the Class B Notes, the Class C Noteholders; and
- 11.2 it shall have been fully indemnified as to costs, damages and expenses to its satisfaction.

No Noteholder shall be entitled to proceed directly against the Issuer unless the Representative of the Noteholders, having become bound to do so, fails to do so within a reasonable period of time and such failure is continuing.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of Condition 9 above or this Condition 11, by the Representative of the Noteholders shall (in the absence of wilful default, gross negligence, bad faith or manifest error) be binding on the Issuer and all Noteholders and (in such absence as aforesaid) the Representative of the Noteholders will have no liability to the Noteholders or the Issuer in connection with the exercise or the non-exercise by it or any of them of their powers, duties and discretion hereunder.

12. THE REPRESENTATIVE OF THE NOTEHOLDERS

12.1 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.

12.2 Pursuant to the Rules of the Organisation of the Noteholders (attached hereto as Exhibit 1), for as long as any Note is outstanding, there shall at all times be a Representative of the Noteholders.

12.3 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 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 is appointed at the time of issue of the Notes pursuant to the Subscription Agreements. Each Noteholder is deemed to accept such appointment.

12.4 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 107 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.

12.5 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 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.

13. NOTICES

So long as the Notes are held by Monte Titoli on behalf of the authorised financial intermediaries and/or their customers, notices to the Noteholders may be given through the systems of Monte Titoli.

The Representative of the Noteholders may sanction some other method of giving notice to the Noteholders of the relevant Class if, in its opinion, such other method is reasonable having regard to market practices then prevailing and to the rules of the stock exchange on which the Notes of the relevant Class are listed and provided that notice of such other method is given to the Noteholders of the relevant Class in such manner as the Representative of the Noteholders shall require.

14. **PRESCRIPTION**

Claims against the Issuer for payments in respect of the Notes shall be void unless made within ten (10) years (in the case of principal) or five (5) years (in the case of interest) from the Relevant Date in respect thereof.

15. **GOVERNING LAW AND JURISDICTION**

15.1 The Notes are governed by Italian law.

15.2 All the Transaction Documents are governed by Italian law, with the exception of the Deed of Charge and the Swap Agreement which are governed by English law and the Cash Administration and Agency Agreement which is governed partially by Italian law and partially by English law and the Stichting Corporate Services Agreement which is governed by Dutch Law.

15.3 The Courts of Rome shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Notes.

TERMS AND CONDITIONS OF THE CC INTERMEDIATE NOTES

*The following is the entire text of the terms and conditions of the CC Intermediate Notes. All capitalised words and expressions set out below relate only to this section of this Offering Circular and words and expressions otherwise defined in this Offering Circular, including the "Glossary of Terms" shall not apply to this section. References to the "holder" or to the "Noteholder" of a Class A Note, a Class B Note or a Class C Note or to a Class A Noteholder, a Class B Noteholder or a Class C Noteholder are to the ultimate owners of the Class A Notes, the Class B Notes and the Class C Notes (each as defined below), as the case may be, issued in bearer and dematerialised form and evidenced as book entries with Monte Titoli S.p.A. ("**Monte Titoli**") in accordance with the provisions of (i) Article 28 of Legislative Decree No. 213 of 24 June 1998 and (ii) Resolution No. 11768 of 23 December 1998 of the Commissione Nazionale per le Società e la Borsa ("**CONSOB**") as subsequently amended, as further amended from time to time.*

Exhibit 1 to the CF Intermediate Notes, setting out the "Rules of the Organisation of the Noteholders", is not reproduced here.

The Euro 432,065,000 Class A Asset Backed Floating Rate Notes due March 2038 (the "**Class A Notes**"), Euro 18,400,000 Class B Asset Backed Floating Rate Notes due March 2038 (the "**Class B Notes**" and together with the Class A Notes, the "**Senior Notes**"), Euro 815,161 Class C1 Asset Backed Floating Rate Notes due March 2038 (the "**Class C1 Notes**"), Euro 424,678 Class C2 Asset Backed Floating Rate Notes due March 2038 (the "**Class C2 Notes**"), Euro 724,410 Class C3 Asset Backed Floating Rate Notes due March 2038 (the "**Class C3 Notes**"), Euro 335,818 Class C4 Asset Backed Floating Rate Notes due March 2038 (the "**Class C4 Notes**"), Euro 294,472 Class C5 Asset Backed Floating Rate Notes due March 2038 (the "**Class C5 Notes**"), Euro 614,856 Class C6 Asset Backed Floating Rate Notes due March 2038 (the "**Class C6 Notes**"); Euro 512,966 Class C7 Asset Backed Floating Rate Notes due March 2038 (the "**Class C7 Notes**"), Euro 326,783 Class C8 Asset Backed Floating Rate Notes due March 2038 (the "**Class C8 Notes**"), Euro 377,093 Class C9 Asset Backed Floating Rate Notes due March 2038 (the "**Class C9 Notes**"), Euro 739,590 Class C10 Asset Backed Floating Rate Notes due March 2038 (the "**Class C10 Notes**"), Euro 358,432 Class C11 Asset Backed Floating Rate Notes due March 2038 (the "**Class C11 Notes**"), Euro 1,160,112 Class C12 Asset Backed Floating Rate Notes due March 2038 (the "**Class C12 Notes**"), Euro 492,786 Class C13 Asset Backed Floating Rate Notes due March 2038 (the "**Class C13 Notes**"), Euro 308,200 Class C14 Asset Backed Floating Rate Notes due March 2038 (the "**Class C14 Notes**"), Euro 331,403 Class C15 Asset Backed Floating Rate Notes due March 2038 (the "**Class C15 Notes**"), Euro 253,619 Class C16 Asset Backed Floating Rate Notes due March 2038 (the "**Class C16 Notes**"), Euro 480,084 Class C17 Asset Backed Floating Rate Notes due March 2038 (the "**Class C17 Notes**"), Euro 628,330 Class C18 Asset Backed Floating Rate Notes due March 2038 (the "**Class C18 Notes**" and together with the Class C1 Notes, the Class C2 Notes, the Class C3 Notes, the Class C4 Notes, the Class C5 Notes, the Class C6 Notes, the Class C7 Notes, the Class C8 Notes, the Class C9 Notes, the Class C10 Notes, the Class C11 Notes, the Class C12 Notes, the Class C13 Notes, the Class C14 Notes, the Class C15 Notes, the Class C16 Notes and the Class C17 Notes, the "**Class C Notes**"); the Class C Notes and the Senior Notes (the "**Notes**") are issued by Cassa Centrale Finance S.r.l. (the "**Issuer**") on 8 June 2006 (the "**Issue Date**") in the context of a securitisation transaction (the "**Transaction**") to finance the purchase of portfolios of monetary claims and connected rights arising under the mortgage loans (collectively the "**Portfolios**" and the "**Claims**", respectively) Cassa Rurale Alto Garda B.C.C. Società Cooperativa ("**BCC Alto Garda**"), Banca Alto Vicentino Credito Cooperativo Scpa – Schio ("**BCC Alto Vicentino**"), Cassa Rurale di Bolzano - Società Cooperativa ("**BCC Bolzano**"), Banca di Cavola e Sassuolo Credito Cooperativo ("**BCC Cavola e Sassuolo**"), Cassa Rurale di Folgaria - Banca di Credito Cooperativo - Società Cooperativa ("**BCC Folgaria**"), Cassa Rurale di Lavis – Valle di Cembra - Banca di Credito Cooperativo - Società Cooperativa ("**BCC Lavis**"), Banca di Credito Cooperativo di Marcon – Venezia – Società Cooperativa ("**BCC Marcon**"), Cassa Rurale Mezzocorona - Banca di Credito Cooperativo - Società Cooperativa ("**BCC Mezzocorona**"), Cassa Rurale Mezzolombardo e San Michele dell'Adige - Banca di Credito Cooperativo - Società

Cooperativa ("**BCC Mezzolombardo**"), Cassa Rurale di Pergine - Banco di Credito Cooperativo - Società Cooperativa ("**BCC Pergine**"), Cassa Rurale Pinetana Fornace e Serenano - Banca di Credito Cooperativo - Società Cooperativa ("**BCC Pinetana**"), Banca di Crediti Cooperativo delle Prealpi - Società Cooperativa ("**BCC Prealpi**"), Cassa Rurale di Rovereto - Banca di Credito Cooperativo - Società Cooperativa ("**BCC Rovereto**"), Cassa Rurale di Tione Ragoli e Montagne - Banca di Credito Cooperativo - Società Cooperativa ("**BCC Tione**"), Cassa Rurale Val di Fassa Agordino - Banca di Credito ("**BCC Val di Fassa**"), Cassa Rurale Valle dei Laghi - Banca di Credito Cooperativo - Società Cooperativa ("**BCC Valle dei Laghi**"), Cassa Rurale Giudicarie Valsabbia Raganella - Banca di Credito Cooperativo - Società Cooperativa ("**BCC Valsabbia**") and Banca di Credito Cooperativo del Veneziano - Società Cooperativa ("**BCC Veneziano**") and together with BCC Alto Garda, BCC Alto Vicentino, BCC Bolzano, BCC Cavola e Sassuolo, BCC Folgaria, BCC Lavis, BCC Marcon, BCC Mezzocorona, BCC Mezzolombardo, BCC Pergine, BCC Pinetana, BCC Prealpi, BCC Rovereto, BCC Tione, BCC Val di Fassa, BCC Valle dei Laghi and BCC Valsabbia collectively, the "**Originators**", pursuant to Article 1 of Italian Law No. 130 of 30 April 1999 ("*Disposizioni sulla cartolarizzazione dei crediti*") ("**Law 130**" or the "**Securitisation Law**").

The Portfolios have been purchased by the Issuer pursuant to eighteen transfer agreements entered into on 31 May 2006, each between the Issuer and an Originator (each a "**Transfer Agreement**" and together the "**Transfer Agreements**"). Representations and warranties in respect of the Portfolios have been made by the Originators in favour of the Issuer under a warranty and indemnity agreement entered into between the Issuer and the Originators on 31 May 2006 (the "**Warranty and Indemnity Agreement**"). In these Conditions, references to the "**Senior Noteholders**" are to the beneficial owners of the Senior Notes, references to the "**Class A Noteholders**" are to the beneficial owners of the Class A Notes, references to the "**Class B Noteholders**" are to the beneficial owners of the Class B Notes, references to the "**Class C1 Noteholders**", the "**Class C2 Noteholders**" the "**Class C3 Noteholders**", the "**Class C4 Noteholders**", the "**Class C5 Noteholders**", the "**Class C6 Noteholders**", the "**Class C7 Noteholders**", the "**Class C8 Noteholders**", the "**Class C9 Noteholders**", the "**Class C10 Noteholders**", the "**Class C11 Noteholders**", the "**Class C12 Noteholders**", the "**Class C13 Noteholders**", the "**Class C14 Noteholders**", the "**Class C15 Noteholders**", the "**Class C16 Noteholders**", the "**Class C17 Noteholders**" and the "**Class C18 Noteholders**" are to the beneficial owners of respectively the Class C1 Notes, the Class C2 Notes, the Class C3 Notes, the Class C4 Notes, the Class C5 Notes, the Class C6 Notes, the Class C7 Notes, the Class C8 Notes, the Class C9 Notes, the Class C10 Notes, the Class C11 Notes, the Class C12 Notes, the Class C13 Notes, the Class C14 Notes, the Class C15 Notes, the Class C16 Notes, the Class C17 Notes and the Class C18 Notes; references to the "**Class C Noteholders**" are to the beneficial owners of the Class C Notes collectively and references to the "**Noteholders**" are to the beneficial owners of the Senior Notes and the Class C Notes.

The principal source of payment of amounts due under the Notes will be collections and recoveries made in respect of the Portfolios (the "**Collections**"). By operation of Article 3 of Law 130, the Issuer's title to the Portfolios and to all the amounts deriving therefrom (the "**Issuer's Rights**") will be segregated from all the other assets of the Issuer and amounts deriving therefrom will be available, both before and after a winding-up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders and the Other Issuer Creditors (as defined below) in accordance with the applicable Order of Priority (as set out in Condition 4). The Issuer's Rights may not be seized or attached in any form by the creditors of the Issuer other than the Noteholders, the Other Issuer Creditors and any other third party creditors in respect of any taxes, costs, fees or expenses incurred by the Issuer in relation to the Transaction until full redemption or cancellation of the Notes and full discharge by the Issuer of its obligations *vis-à-vis* the Other Issuer Creditors.

Under a servicing agreement entered into on 31 May 2006 (the "**Servicing Agreement**") between the Issuer and each Originator as a servicer of its respective Portfolio (collectively the "**Servicers**"), each Servicer agreed to provide the Issuer with administration, collection and recovery services in respect of such Portfolio and shall verify that the payment services to be provided in relation to the Transaction comply with Italian law.

Under a subscription agreement entered into on 1 June 2006 between the Issuer, the Originators, the Representative of the Noteholders and the Irish Company (the "**Senior Notes Subscription Agreement**"), the latter shall subscribe and pay for the Senior Notes upon the terms and subject to the conditions thereof and shall appoint Deutsche Trustee Company Limited to act as the representative of the Senior Noteholders (the "Representative of the Noteholders").

Under a subscription agreement entered into on 1 June 2006 between the Issuer, the Representative of the Noteholders and the Originators (the "**Class C Notes Subscription Agreement**" and together with the Senior Notes Subscription Agreement, the "**Subscription Agreements**"), BCC Alto Garda shall subscribe and pay for the Class C1 Notes, BCC Alto Vicentino shall subscribe and pay for the Class C2 Notes, BCC Bolzano shall subscribe and pay for the Class C3 Notes, BCC Cavola e Sassuolo shall subscribe and pay for the Class C4 Notes, BCC Folgaria shall subscribe and pay for the Class C5 Notes, BCC Lavis shall subscribe and pay for the Class C6 Notes, BCC Marcon shall subscribe and pay for the Class C7 Notes, BCC Mezzocorona shall subscribe and pay for the Class C8 Notes, BCC Mezzolombardo shall subscribe and pay for the Class C9 Notes, BCC Pergine shall subscribe and pay for the Class C10 Notes, BCC Pinetana shall subscribe and pay for the Class C11 Notes, BCC Prealpi shall subscribe and pay for the Class C12 Notes, BCC Rovereto shall subscribe and pay for the Class C13 Notes, BCC Tione shall subscribe and pay for the Class C14 Notes, BCC Val di Fassa shall subscribe and pay for the Class C15 Notes, BCC Valle dei Laghi shall subscribe and pay for the Class C16 Notes, BCC Valsabbia shall subscribe and pay for the Class C17 Notes, BCC Veneziano shall subscribe and pay for the Class C18 Notes; each of the Originators shall appoint the Representative of the Noteholders to act as the representative of the Class C Noteholders.

Under a cash administration and agency agreement to be entered into on or prior to the Issue Date (the "**Cash Administration and Agency Agreement**") between the Issuer, the Representative of the Noteholders, the Servicers, Deutsche Bank AG London as principal paying agent (the "**Principal Paying Agent**"), agent bank (the "**Agent Bank**"), computation agent (the "**Computation Agent**"), English transaction bank (the "**English Transaction Bank**") and cash manager (the "**Cash Manager**"), Deutsche Bank S.p.A. as Italian paying agent (the "**Italian Paying Agent**" and, together with the Principal Paying Agent, the "**Paying Agents**") and transaction bank (the "**Transaction Bank**") and Cassa Centrale – Casse Rurali Trentine - BCC Nord Est S.p.A. as operating bank (the "**Operating Bank**"): (i) the Principal Paying Agent and the Italian Paying Agent shall carry out certain services in relation to the Notes, including arranging for the payment of principal and interest to the Monte Titoli Account Holders; (ii) the Agent Bank shall calculate the amount of interest payable on the Notes; (iii) the Computation Agent shall provide the Issuer with other calculations in respect of the Notes and will set out, in a payment report (the "**Payment Report**"), the payments due to be made under the Notes on each Payment Date; and (iv) the Operating Bank, the Transaction Bank, the English Transaction Bank and the Cash Manager shall provide certain cash administration and investment services in respect of the amounts standing, from time to time, to the credit of the relevant Accounts.

Under a corporate services agreement to be entered into on or prior to the Issue Date (the "**Corporate Services Agreement**") between the Issuer and FIS Fiduciaria Generale S.p.A. as corporate services provider (the "**Corporate Services Provider**") the Corporate Services Provider shall provide the Issuer with certain corporate administration services.

Under a further servicing agreement to be entered into on or prior the Issue Date between the Issuer, the Back-up Servicer and the Servicers (the "**Back-up Servicing Agreement**"), Cassa Centrale – Casse Rurali Trentine - BCC Nord Est S.p.A. has agreed that, should any of the Servicers cease to act as servicer of the relevant Portfolio, it will itself service such Portfolio on the same terms as provided for in the Servicing Agreement.

Under a liquidity facility agreement to be entered into on or prior to the Issue Date (the "**Liquidity Agreement**"), between the Issuer and the Originators as liquidity providers (each a "**Liquidity Provider**"), the Liquidity Providers shall make revolving facilities available to the Issuer in a

maximum aggregate amount determined from time to time in accordance with the provisions of the Liquidity Agreement.

Under the terms of a limited recourse loan agreement to be entered into on or prior to the Issue Date (the "**Limited Recourse Loan Agreement**"), between the Issuer, the Originators as limited recourse loan providers (each a "**Limited Recourse Loan Provider**") and the Transaction Bank, each Limited Recourse Loan Provider will grant the Issuer a limited recourse loan (the "**Limited Recourse Loan**") up to a specified amount by means of advancing Italian treasury bonds (*titoli di Stato*) (the "**Securities**") to the Issuer.

Under two swap transactions to be entered into on or prior to the Issue Date (the "**Swap Transactions**") between the Issuer and Société Générale as swap counterparty (the "**Swap Counterparty**"), the Issuer has hedged its potential interest rate exposure in relation to its floating rate obligations under the Senior Notes.

Pursuant to a deed of pledge to be entered into on or prior to the Issue Date (the "**Deed of Pledge**") between the Issuer, the Noteholders, acting through the Representative of the Noteholders and the Other Issuer Creditors (the "**Pledges**"), the Issuer will grant the Pledges: **(i)** a pledge over all the monetary contractual claims arising from the Transaction Documents (as defined below) (excluding the Claims and the rights arising from the Transfer Agreements, the Servicing Agreement, the Back-up Servicing Agreement and the claims for the restitution of the positive balance standing from time to time to the credit of the Accounts opened pursuant to the Cash Administration and Agency Agreement; **(ii)** a pledge over the positive balance of the Accounts (other than the Expenses Accounts, the Quota Capital Account, the Investment Account (each as described below) and the amounts payable to the Swap Counterparty in relation to a Tax Credit and the amounts standing to the credit of the Collateral Account to the extent provided for by the Deed of Pledge) and **(iii)** a pledge over the Securities.

Under an intercreditor agreement to be entered into on or prior to the Issue Date (the "**Intercreditor Agreement**") between the Issuer, the Representative of the Noteholders (on its own behalf and as agent for the Noteholders), the Corporate Services Provider, the Agent Bank, the Transaction Bank, the English Transaction Bank, the Operating Bank, the Computation Agent, the Servicers, the Swap Counterparty, the Principal Paying Agent, the Italian Paying Agent, the Liquidity Providers, the Cash Manager, the Limited Recourse Loan Providers, the Irish Company and the Originators, the application of the Single Portfolio Available Funds and the Issuer Available Funds (each as defined below) will be set out. The Representative of the Noteholders will be appointed to exercise certain rights in relation to the Portfolios and in particular will be conferred the exclusive right (and the necessary powers) to make demands, give notices, exercise or refrain from exercising rights and take or refrain from taking actions (also through the Servicers) in relation to the recovery of the Claims in the name and on behalf of the Issuer.

Under a deed of charge governed by English law to be entered into on or prior to the Issue Date (the "**Deed of Charge**"), the Issuer will assign and charge in favour of the Security Trustee for itself and on trust for the Noteholders and the Other Issuer Creditors, all of the Issuer's rights, title, interest and benefit (present and future) in, to and under the Swap Agreement and all the amounts from time to time standing to the credit of the Investment Account.

Under a quotaholder's agreement to be entered into on or prior to the Issue Date between Stichting Tridentum (the "**Quotaholder**"), the Issuer and the Representative of the Noteholders (the "**Quotaholder's Agreement**") certain rules will be set out in relation to the corporate management of the Issuer.

The Issuer has established with the Transaction Bank the following accounts: **(i)** an account (the "**Payments Account**") into which, *inter alia*, all amounts received by the Issuer under the Transaction Documents (other than amounts paid in respect of the Claims) will be credited and out of which all

payments shall be made according to the applicable Order of Priority and the relevant Payments Report; **(ii)** an account (the "**Collections and Recoveries Account**") into which, *inter alia*, all amounts standing to the credit of each Transitory Collection and Recoveries Account will be credited; **(iii)** an account (the "**Principal Accumulation Account**") into which, *inter alia*, on each Payment Date prior to the Payment Date falling on December 2007 any amount payable in respect of principal on Class A Notes, Class B Notes and Class C Notes respectively shall be paid; and **(iv)** eighteen securities accounts (the "**Securities Accounts**") into which, *inter alia*, the Relevant Securities shall be deposited pursuant to the Limited Recourse Loan Agreement.

The Issuer may establish the following accounts with the Transaction Bank: **(i)** an account (the "**Reserve Account**") into which, *inter alia*, the Reserve Amount, if any, shall be paid; **(ii)** eighteen accounts (the "**Principal Amortisation Reserve Accounts**") identified with respect to each Portfolio into which, *inter alia*, the Principal Amortisation Reserve Amounts, if any, shall be paid; **(iii)** eighteen accounts (the "**Single Portfolio Reserve Accounts**") identified with respect to each Portfolio into which, *inter alia*, the Single Portfolio Reserve Amounts, if any, shall be paid; and **(iv)** eighteen accounts (the "**Liquidity Reserve Accounts**") identified with respect to each Liquidity Provider into which, *inter alia*, the amounts due under the Liquidity Agreement if any, shall be paid.

The Issuer has established with the English Transaction Bank an account (the "**Investment Account**") into which, *inter alia*, all amounts standing to the credit of the Accounts (other than the Transitory Collections and Recoveries Accounts, the Expenses Account, the Securities Accounts and the Quota Capital Account) will be transferred for the purpose of investment in Eligible Investments.

The Issuer has established the following accounts with the Operating Bank: **(i)** eighteen accounts (the "**Transitory Collections and Recoveries Accounts**") identified with respect to each Portfolio into which, *inter alia*, all amounts received by the Issuer under the Portfolios from the relevant Servicer shall be paid; **(ii)** an account (the "**Expenses Account**") into which, *inter alia*, the Retention Amount shall be paid and out of which certain payments with respect to the Issuer's corporate expenses and to the Irish Company's expenses (specifically the expenses described under item First (ii) of each Order of Priority) shall be made; and **(iii)** an account (the "**Quota Capital Account**") into which, *inter alia*, the sums contributed by the Quotaholder will be credited and held.

These Conditions include summaries of, and are subject to, the detailed provisions of the Transfer Agreements, the Warranty and Indemnity Agreement, the Servicing Agreement, the Liquidity Agreement, the Intercreditor Agreement, the Corporate Services Agreement, the Subscription Agreements, the Swap Agreement, the Cash Administration and Agency Agreement, the Limited Recourse Loan Agreement, the Deed of Pledge, the Quotaholder's Agreement and the Deed of Charge (and together with these Conditions, the "**Transaction Documents**"). Copies of the Transaction Documents are available for inspection during normal business hours at the registered office of the Representative of the Noteholders.

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

The rights and powers of the Noteholders may only be exercised in accordance with the rules of the organisation of the Noteholders (respectively, the "**Rules of the Organisation of the Noteholders**" and the "**Organisation of the Noteholders**") attached hereto and which form an integral and substantive part of these Conditions.

The Recitals and the Exhibits hereto constitute an integral and essential part of these Conditions and shall have the force of and shall take effect as covenants by the Issuer.

In these Conditions:

“Acceleration Order of Priority” means the order in which the Issuer Available Funds shall be applied on each Payment Date following the service of a Trigger Notice in accordance with the Conditions and the Intercreditor Agreement.

"Accounts" means collectively the Payments Account, the Collections and Recoveries Account, the Transitory Collections and Recoveries Accounts, the Securities Accounts, the Principal Accumulation Account, the Investment Account, the Principal Amortisation Reserve Accounts, the Expenses Account, the Reserve Account, the Liquidity Reserve Accounts, the Quota Capital Account, the Collateral Account and the Single Portfolio Reserve Accounts.

"Advance" means any advance made by any of the Liquidity Providers to the Issuer pursuant to the Liquidity Agreement.

"Available Redemption Funds" means collectively the Available Class A Notes Redemption Funds and the Available Class B Notes Redemption Funds.

"Available Class A Notes Redemption Funds" means, with respect to any Payment Date, the difference between:

- (i) the Issuer Available Funds in respect of such Payment Date; and
- (ii) the aggregate of all payments under items *One* to *Eleven* of the Acceleration Order of Priority (as applicable) which are required to be made by the Issuer on such Payment Date.

"Available Class B Notes Redemption Funds" means, with respect to any Payment Date, the difference between:

- (i) the Issuer Available Funds in respect of such Payment Date; and
- (ii) the aggregate of all payments under items *One* to *Twelve* of the Acceleration Order of Priority (as applicable) which are required to be made by the Issuer on such Payment Date.

"BCC Alto Garda" means Cassa Rurale Alto Garda B.C.C. Società Cooperativa.

"BCC Alto Vicentino" means Banca Alto Vicentino Credito Cooperativo Scpa – Schio.

"BCC Bolzano" means Cassa Rurale di Bolzano, Società Cooperativa.

"BCC Cavola e Sassuolo" means Banca di Cavola e Sassuolo Credito Cooperativo.

"BCC Folgaria" means Cassa Rurale di Folgaria, Banca di Credito Cooperativo, Società Cooperativa.

"BCC Lavis" means Cassa Rurale di Lavis – Valle di Cembra, Banca di Credito Cooperativo, Società Cooperativa.

"BCC Marcon" means Banca Di Credito Cooperativo Di Marcon – Venezia, Società Cooperativa.

"BCC Mezzocorona" means Cassa Rurale Mezzocorona, Banca di Credito Cooperativo, Società Cooperativa,

"BCC Mezzolombardo" means Cassa Rurale Mezzolombardo e San Michele dell'Adige, Banca di Credito Cooperativo, Società Cooperativa.

"**BCC Mortgages**" means BCC Mortgages PLC, a company incorporated as a public limited liability company under the laws of Ireland, with registered office at Trinity House, Charleston Ranelagh, Dublin 6, Ireland (also referred as to the "**Irish Company**").

"**BCC Pergine**" means Cassa Rurale di Pergine, Banco di Credito Cooperativo, Società Cooperativa.

"**BCC Pinetana**" means Cassa Rurale Pinetana Fornace e Serenano, Banca di Credito Cooperativo, Società Cooperativa.

"**BCC Prealpi**" means Banca di Credito Cooperativo delle Prealpi, Società Cooperativa.

"**BCC Rovereto**" means Cassa Rurale di Rovereto, Banca di Credito Cooperativo, Società Cooperativa.

"**BCC Tione**" means Cassa Rurale di Tione Ragoli e Montagne, Banca di Credito Cooperativo, Società Cooperativa.

"**BCC Val di Fassa**" means Cassa Rurale Val di Fassa Agordino, Banca di Credito Cooperativo.

"**BCC Valle dei Laghi**" means Cassa Rurale Valle dei Laghi, Banca di Credito Cooperativo, Società Cooperativa

"**BCC Valsabbia**" means Cassa Rurale Giudicarie ValSabbia Paganella, Banca di Credito Cooperativo, Società Cooperativa.

"**BCC Veneziano**" means Banca di Credito Cooperativo del Veneziano, Società Cooperativa.

"**Borrower**" means the debtors under the Claims and their transferors, assignees and successors.

"**Business Day**" means any day on which banks are open for business in London, in Luxembourg and in Milan and on which the Trans-European Automated Real Time Gross Transfer System (or any successor thereto) is open.

"**Calculation Date**" means the date falling ten calendar days before each Payment Date.

"**CF6**" means Credico Finance 6 S.r.l., a limited liability company incorporated under Italian law with registered office at Largo Chigi 5, Roma, Italian tax no. 08855791003, enrolled in the register held by Ufficio Italiano Cambi pursuant to article 106 of the Banking Act with no. 37725, having as its exclusive corporate object to enter into securitisation transactions pursuant to article 3 of the Securitisation Law ("**CF6**").

"**CF6 Notes**" means the notes issued under the CF6 Securitisation.

"**CF6 Securitisation**" means the mortgage loans securitisation structured by CF6 and having its issue date on 8 June 2006.

"**Class A Disequilibrium Event**" has the meaning ascribed to it in Condition 4.2.

"**Class A Notes Principal Payment Amount**" means with respect to each Payment Date, the aggregate of all Single Portfolio Class A Notes Principal Payment Amounts.

"**Class B Disequilibrium Event**" has the meaning ascribed to it in Condition 4.2.

"**Class B Notes Principal Payment Amount**" means with respect to each Payment Date, the aggregate of all Single Portfolio Class B Notes Principal Payment Amounts.

"Class B Notes Subordination Event" as the meaning ascribed to it in Condition 4.6.

"Class C Notes Aggregate Amount" means the aggregate amount of the Class C Notes equal to Euro 9,178,793.

"Clearstream" means Clearstream Banking, Société Anonyme.

"Collection Date" means 31 January, 30 April, 31 July and 31 October in each year.

"Collection Period" means each period starting on a Collection Date (exclusive) and ending on the following Collection Date (inclusive).

"Collection Policy" means, with respect to each Servicer, the collection policy applied by such Servicer in relation to its respective Portfolio.

"Collections" means all the amounts collected and/or recovered under the Claims on or after the Transfer Date and any amount received by the Issuer from the Servicers pursuant to the Servicing Agreement.

"Consolidated Banking Act" means Legislative Decree No. 385 of 1 September 1999 as subsequently amended.

"Corresponding Irish Company Interest Period" means (i) in relation to the Initial Interest Period, the period starting from (and including) the Issue Date and ending on (but excluding) 12 December 2006, and (ii) in relation to any other Interest Period, the Irish Company Interest Period which starts on an Irish Company Payment Date and ends on an Irish Company Payment Date falling respectively on the same year and month of the initial and final Payment Date of such Interest Period.

"Criteria" means collectively the General Criteria and the Specific Criteria.

"Cross Collateral Order of Priority" means the order in which the Issuer Available Funds shall be applied on each Payment Date following the service of a Cross Collateral Notice (and, for the avoidance of doubt prior to the service of a Trigger Notice) in accordance with the Conditions and the Intercreditor Agreement.

"Defaulted Claim" means a Claim which is classified as "in sofferenza" by the relevant Servicer pursuant to its respective Collection Policy and in compliance with the applicable rules 'Istruzioni di Vigilanza' of Banca d'Italia or a Claim which has at least, as the case may be: (i) 12 Unpaid Instalments in relation to Claims with monthly instalments; (ii) 6 Unpaid Instalments in relation to Claims with Instalments which are paid every two months; (iii) 5 Unpaid Instalments in relation to Claims with quarterly Instalments; (iv) 4 Unpaid Instalments in relation to Claims with Instalments which are paid every four months; (v) 3 Unpaid Instalments in case of Claims with semi-annual Instalments; and (vi) 1 Unpaid Instalment in case of Claims with annual Instalment, remained unpaid for at least 6 months following the due date of payment.

"Default Ratio" means with respect to any Payment Date, the ratio calculated as at the immediately preceding Collection Date between (i) the cumulative Outstanding Balance of all Claims which have become Defaulted Claims since the Valuation Date, and (ii) the Outstanding Principal of the Claims as at the Valuation Date.

"Detrimental Event" has the meaning ascribed to it in Condition 4.3.

"Effective Date" means 2 May 2006.

"Eligible Institution" means any depository institution organized under the laws of any State which is a member of the European Union or of the United States whose short-term unsecured, unsubordinated and unguaranteed debt obligations are rated at least P-1 by Moody's and A-1+ by S&P or, concerning S&P only, any credit institution whose short term rating for its unsecured and unsubordinated debt obligations is at least equal to A-1, provided that the aggregate value of all the sums credited to such credit institution(s) together with the aggregate value of Eligible Investments rated A-1 by S&P or deposited with such credit institution(s) should not exceed 20% of the Principal Amount Outstanding of the Notes and the long-term, unsecured and unsubordinated debt obligations are rated at least A1 by Moody's provided that (i) with respect to Deutsche Bank S.p.A., acting as Transaction Bank and Italian Paying Agent under the terms of the Cash Administration and Agency Agreement, it shall be deemed to be an Eligible Institution if: (a) its controlling parent company's short-term, unsecured and unsubordinated debt obligations are rated at least P-1 by Moody's and A-1+ by S&P or, concerning S&P only, at least A-1, provided that the aggregate value of all the sums credited to such credit institution together with the aggregate value of Eligible Investments rated A-1 by S&P or deposited with such credit institution should not exceed 20% of the Principal Amount Outstanding of the Notes and the long-term, unsecured and unsubordinated debt obligations are rated at least A1 by Moody's; (b) the shareholding held by its controlling parent company does not fall below 90 per cent.; (c) there are no material changes in the ownership structure of its controlling parent company which would result in the downgrading of the rating of any of the Investor Notes; and (d) the words "Deutsche Bank" are contained in its legal name unless the Rating Agencies confirm that the deletion of such words does not affect the status of Eligible Institution and, in any case, only until such date when any of the Rating Agencies notifies the Issuer that Deutsche Bank S.p.A. no longer qualifies as an Eligible Institution.

"Eligible Investments" means (i) any Euro denominated senior (unsubordinated) debt security, bank account, deposit (including for the avoidance of doubt, time deposits) or other debt instrument issued by, or fully and unconditionally guaranteed on an unsecured and unsubordinated basis by, or if a bank account or deposit, held at or made with, an Eligible Institution and which, prior to the redemption in full of the Notes, has at any time a fixed principal amount at maturity at least equal to the principal amount invested and a maturity not exceeding the 2nd Business Day immediately preceding the Payment Date falling in the month immediately succeeding the Collection Period in respect of which such Eligible Investments were made and (ii) Euro denominated money market funds which are rated Aaa/MR1+ by Moody's and AAAM/AAAM-G by S&P and permit daily liquidation of investments, provided that (a) any eligible investments rated A-1 by S&P and shall have a maturity not greater than 30 days, and (b) in case of disposal of the eligible investment before maturity, the principal amount upon disposal is at least equal to the principal amount invested.

"Euroclear" means Euroclear Bank S.A./N. V., 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 subsequently amended.

"First Payment Date" means 7 December 2006.

"Final Maturity Date" means, in respect of the Senior Notes, the Payment Date falling on March 2038 and, in respect of the Class C Notes, the Payment Date falling on March 2038.

"First Collection Date" means 31 October 2006.

"First Collection Period" means the period starting on the First Collection Date (exclusive) and ending on the following Collection Date (inclusive).

"Initial Period" means the period of eighteen months and one day from the Issue Date.

"Instalment" means, with respect to each Claim, each monetary amount due from time to time by the relevant Borrower under the Claims.

"Interests" means any Interest Amount to be paid on the Senior Notes.

"Interest Accruals" means, with respect to each Portfolio, the interest accrued, not yet due and unpaid on the Claims as of the applicable Effective Date, which shall be payable on the First Payment Date and in the case of insufficient available funds on such date, on each following Payment Date, by the Issuer to each Originator under the relevant Transfer Agreement, equal to, with respect to Portfolio No. 1, Euro 130,974.06; with respect to Portfolio No. 2, Euro 2,580.44; with respect to Portfolio No. 3, Euro 97,959.51; with respect to Portfolio No. 4, Euro 48,829.61; with respect to Portfolio No. 5, Euro 30,913.46; with respect to Portfolio No. 6, Euro 57,446.33; with respect to Portfolio No. 7, Euro 5,376.04; with respect to Portfolio No. 8, Euro 36,043; with respect to Portfolio No. 9, Euro 26,424.30; with respect to Portfolio No. 10, Euro 31,486.37; with respect to Portfolio No. 11, Euro 33,768.73; with respect to Portfolio No. 12, Euro 105,280.74; with respect to Portfolio No. 13, Euro 45,914.69; with respect to Portfolio No. 14, Euro 54,208.49; with respect to Portfolio No. 15, Euro 59,140.92; with respect to Portfolio No. 16, Euro 18,544.70; with respect to Portfolio No. 17, Euro 72,163.89; and with respect to Portfolio No. 18, Euro 48,203.23.

"Interest Determination Date" means, with respect to the Initial Interest Period, the date falling on the second Business Day immediately preceding the Issue Date and with respect to each subsequent Interest Period, the date falling on the second Business Day immediately preceding the Payment Date at the beginning of such Interest Period.

"Interest Instalment" means, in respect of each Claim, the interest component of each Instalment (excluding interest for late payments - *interessi di mora*).

"Interest Period" means each period from (and including) a Payment Date to (but excluding) the following Payment Date, provided that the first Interest Period (the **"Initial Interest Period"**) shall begin on (and include) the Issue Date and end on (but exclude) the First Payment Date.

"Investor Notes" means the notes issued by the Irish Company under the Irish Transaction.

"Investor Note Final Maturity Date" means 12 March, 2038.

"Irish Company" means BCC Mortgages PLC as issuer in the Irish Transaction.

"Irish Company Interest Period" means each period from (and including) an Irish Company Payment Date to (but excluding) the following Irish Company Payment Date.

"Irish Company Investor Note Final Maturity Date" means 12 March, 2038.

"Irish Company Liquidity Shortfall" means, any difference (if positive) between (i) the amounts to be paid by CF6 and the Issuer to the Irish Company on a Payment Date as Senior Costs and Interests on the Senior Notes and as senior costs and interests relevant to the CF6 Securitisation according to the relevant Payment Report and (ii) the actual amount credited on such Payment Date on the relevant accounts of the Irish Company in respect of such Payments.

"Irish Company Liquidity Shortfall Event" means any event upon which there is an Irish Company Liquidity Shortfall.

"Irish Company Payment Date" means the 12th day of December, March, June and September, in each year or, if any of such a date does not fall on a Business Day, the following Business Day, until the Investor Note Final Maturity Date.

"Irish Transaction" means the transaction structured by the Irish Company under which the Irish Company issues notes backed by the Senior Notes and the senior notes issued by CF6 within the CF6 Securitisation.

"Issue Date" means 8 June 2006.

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

- (i) all the Collections received by the Issuer through the Servicers, during the immediately preceding Collection Period;
- (ii) all other amounts transferred during the immediately preceding Collection Period from the relevant Transitory Collections and Recoveries Account into the Collections and Recoveries Account;
- (iii) only in respect of the Payment Date falling on December 2007, the aggregate of (1) any Available Class A Notes Redemption Funds, Available Class B Notes Redemption Funds and Single Series Available Class C Notes Redemption Funds, and (2) any Single Portfolio Class A Notes Principal Payment Amount and Single Portfolio Class B Notes Principal Payment Amount, paid into the Principal Accumulation Account on the preceding Payment Dates;
- (iv) all interest accrued on the amounts standing to the credit of each of the Accounts (except for the Expenses Account and the Quota Capital Account) and payments received under the Eligible Investments during the immediately preceding Collection Period;
- (v) all amounts paid into the Principal Amortisation Reserve Accounts in the immediately preceding Payment Date;
- (vi) all interest accrued on the amount from time to time standing to the credit of the Expenses Account during the immediately preceding Collection Period and paid into the same;
- (vii) all amounts due and payable to the Issuer on such Payment Date under the terms of the Swap Agreement;
- (viii) all amounts received from the Originators, if any, pursuant to the Warranty and Indemnity Agreement and/or the Transfer Agreements during the immediately preceding Collection Period;
- (ix) all the amounts paid into the Payments Account during the immediately preceding Collection Period;
- (x) (I) exclusively in respect of the first Payment Date on which the Cross Collateral Order of Priority applies or the Acceleration Order of Priority applies, all amounts paid into the Reserve Accounts in any preceding Payment Date; and thereafter (II) any amount paid into the Reserve Account in the preceding Payment Date;
- (xi) all the interest accrued on the Securities and paid into the Payments Account during the immediately preceding Collection Period;
- (xii) (I) exclusively in respect of the first Payment Date on which the Cross Collateral Order of Priority applies or the Acceleration Order of Priority applies, all amounts paid into the Single Portfolio Reserve Accounts in any preceding Payment Date and not yet utilized as Single Portfolio Available Funds or Issuer Available Funds;

- (xiii) any proceeds paid to the Issuer resulting from any termination of the Swap Agreement only to the purpose of entering into a replacement Swap Agreement, and to the extent such proceeds exceed the cost of entering into a replacement Swap Agreement such excess may be utilised only to pay any shortfall under items *Eighth* or *Ninth* of the Cross Collateral Order of Priority or items *Ninth* or *Tenth* of the Acceleration Order of Priority. Provided that any amount under this item could be fully utilised if by doing so the Senior Notes will be fully redeemed on that Payment Date.
- (xiv) until full repayment of the Senior Notes: (a) only in respect of payments ranking as *First, Second, Fifth, Sixth, Seventh, Eighth, Ninth, Tenth* and *Eleventh* of the Acceleration Order of Priority and ranking as *First, Second, Fourth, Fifth, Sixth, Seventh, Eighth, Ninth* and *Tenth* of the Cross Collateral Order of Priority, shall include (I) any Advances to be made to the Issuer with respect to such Payment Date in relation to any Negative Balance or, (II) up to an amount equal to the amount of any Advances to be made to the Issuer with respect to such Payment Date, the proceeds on the sale of the Securities to be used alternatively to the Advances, in accordance with the terms of the Limited Recourse Loan Agreement; and
- (xv) (b) in respect of payments ranking as *Twelfth, Thirteenth* and *Fourteenth* of the Acceleration Order of Priority and ranking as *Eleventh, Twelfth* and *Thirteenth* of the Cross Collateral Order of Priority, the difference (if positive) between the Advances available after making the payments under letter (a) above, and an amount equal to 1% of the Principal Amount Outstanding of the Senior Notes as at the day following the immediately preceding Payment Date. Provided that the Advances could be fully utilised if by doing so the Senior Notes will be fully redeemed on that Payment Date or on the Final Maturity Date,
- (xvi) but excluding: (i) any amount held by the Issuer which properly belongs to the Swap Counterparty in respect of any Tax Credit (as defined in the Swap Agreement) and payable to the Swap Counterparty pursuant to the Swap Agreement; (ii) prior to the occurrence of an Early Termination Date (as defined in the Swap Agreement) for the Swap Transactions, the amount (if any) standing to the credit of the account into which the collateral posted pursuant to the Swap Agreement is paid (the "**Collateral Account**"); and (iii) following the date on which the Swap Transactions are terminated, the amount standing to the credit of the Collateral Account (if any) which exceeds the termination amount (if any) that would have otherwise been payable by the Swap Counterparty to the Issuer had the collateral not been provided.

"Law 239 Deduction" means any withholding or deduction for or on account of *"imposta sostitutiva"* under Legislative Decree No. 239 of 1 April 1996 as amended by Italian Law No. 409 and No. 410 of 23 November 2001 as subsequently amended and supplemented.

"Maximum Commitment Amount" means the aggregate maximum amount of the revolving liquidity facility which is made available to the Issuer by the Liquidity Providers under the Liquidity Agreement which is equal to Euro 18,846,000.

"Monte Titoli" means Monte Titoli S.p.A..

"Monte Titoli Account Holders" means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Monte Titoli.

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

"Mortgage" means the mortgage securities created on the Real Estate Assets pursuant to Italian law in order to secure the Mortgage Loans.

"Mortgage Loan" means each loan, secured by a Mortgage, granted to a Borrower and classified as performing, the receivables in respect of which have been transferred by each of the Originators to the Issuer pursuant to the relevant Transfer Agreement, and **"Mortgage Loans"** means all of them.

"Most Senior Class of Senior Notes" (a) the Class A Notes; or (b) if no Class A Notes are then outstanding, the Class B Notes.

"Negative Balance" means: (1) with respect to any Payment Date (i) following the delivery of a Trigger Notice, (ii) in case of Redemption for Taxation, or (iii) in case of Optional Redemption, the difference, if positive, between (a) all amounts due to be paid by the Issuer on such Payment Date under items *One* to *Fifteen* (inclusive) of the Acceleration Order of Priority and (b) the Issuer Available Funds with respect to such Payment Date before any Advance to be granted to the Issuer by the Liquidity Providers under the Liquidity Agreement with respect to such Payment Date, and (2) with respect to any Payment Date (i) following the delivery of a Cross Collateral Notice, the difference, if positive, between (a) all amounts due to be paid by the Issuer on such Payment Date under items *One* to *Fourteen* (inclusive) of the Cross Collateral Order of Priority and (b) the Issuer Available Funds with respect to such Payment Date before any Advance to be granted to the Issuer by the Liquidity Providers under the Liquidity Agreement with respect to such Payment Date.

"Order of Priority" means the Pre-Acceleration Order of Priority or the Cross Collateral Order of Priority or the Acceleration Order of Priority, as applicable, according to which the Single Portfolio Available Funds or the Issuer Available Funds, respectively, shall be applied on each Payment Date in accordance with the Conditions and the Intercreditor Agreement.

"Other Issuer Creditors" means the Liquidity Providers, the Swap Counterparty, the Originators, the Servicers, the Representative of the Noteholders, the Security Trustee, the Agent Bank, the Operating Bank, the English Transaction Bank, the Transaction Bank, the Principal Paying Agent, the Italian Paying Agent, the Back-Up Servicer, the Corporate Services Provider, the Cash Manager, the Computation Agent, the Irish Company, the Stichting Corporate Servicer Provider and the Limited Recourse Loan Providers.

"Outstanding Balance" means with respect to a Claim the aggregate of the (i) Outstanding Principal and (ii) all due and unpaid Principal Instalments.

"Outstanding Notes Ratio" means with respect to any Payment Date and to each Portfolio, the ratio, calculated as at the immediately preceding Collection Date, between: (x) the relevant Single Portfolio Notes Principal Amount Outstanding, and (y) the Principal Amount Outstanding of all the Notes.

"Outstanding Principal" means, with respect to any Claim on any date, the aggregate of all Principal Instalments owing by the relevant Borrower and scheduled to be paid on and/or after such date.

"Payment Date" means the day falling two Business Days prior to an Irish Company Payment Date.

"Portfolio No. 1" means the portfolio of Claims which are sold to the Issuer by BCC Alto Garda pursuant to the relevant Transfer Agreement.

"Portfolio No. 2" means the portfolio of Claims which are sold to the Issuer by BCC Alto Vicentino pursuant to the relevant Transfer Agreement.

"Portfolio No. 3" means the portfolio of Claims which are sold to the Issuer by BCC Bolzano pursuant to the relevant Transfer Agreement.

"**Portfolio No. 4**" means the portfolio of Claims which are sold to the Issuer by BCC Cavola e Sassuolo pursuant to the relevant Transfer Agreement.

"**Portfolio No. 5**" means the portfolio of Claims which are sold to the Issuer by BCC Folgaria pursuant to the relevant Transfer Agreement.

"**Portfolio No. 6**" means the portfolio of Claims which are sold to the Issuer by BCC Lavis pursuant to the relevant Transfer Agreement.

"**Portfolio No. 7**" means the portfolio of Claims which are sold to the Issuer by BCC Marcon pursuant to the relevant Transfer Agreement.

"**Portfolio No. 8**" means the portfolio of Claims which are sold to the Issuer by BCC Mezzocorona pursuant to the relevant Transfer Agreement.

"**Portfolio No. 9**" means the portfolio of Claims which are sold to the Issuer by BCC Mezzolombardo pursuant to the relevant Transfer Agreement.

"**Portfolio No. 10**" means the portfolio of Claims which are sold to the Issuer by BCC Pergine pursuant to the relevant Transfer Agreement.

"**Portfolio No. 11**" means the portfolio of Claims which are sold to the Issuer by BCC Pinetana pursuant to the relevant Transfer Agreement.

"**Portfolio No. 12**" means the portfolio of Claims which are sold to the Issuer by BCC Prealpi pursuant to the relevant Transfer Agreement.

"**Portfolio No. 13**" means the portfolio of Claims which are sold to the Issuer by BCC Rovereto pursuant to the relevant Transfer Agreement.

"**Portfolio No. 14**" means the portfolio of Claims which are sold to the Issuer by BCC Tione pursuant to the relevant Transfer Agreement.

"**Portfolio No. 15**" means the portfolio of Claims which are sold to the Issuer by BCC Val di Fassa pursuant to the relevant Transfer Agreement.

"**Portfolio No. 16**" means the portfolio of Claims which are sold to the Issuer by BCC Valle dei Laghi pursuant to the relevant Transfer Agreement.

"**Portfolio No. 17**" means the portfolio of Claims which are sold to the Issuer by BCC Valsabbia pursuant to the relevant Transfer Agreement.

"**Portfolio No. 18**" means the portfolio of Claims which are sold to the Issuer by BCC Veneziano pursuant to the relevant Transfer Agreement.

"**Portfolios**" means all the Portfolios of monetary claims and connected rights arising under the Mortgage Loans transferred by the Originators to the Issuer further to the Transfer Agreements.

"**Pre-Acceleration Order of Priority**" means the order in which the Single Portfolio Available Funds shall be applied on each Payment Date prior to the service of a Cross Collateral Notice or a Trigger Notice in accordance with the Conditions and the Intercreditor Agreement.

"**Pre-paid Claim**" means a Claim in respect of which the principal has been totally or partially paid before the applicable repayment date under the relevant mortgage loan agreement.

"Principal Amortisation Reserve Amount" means with respect to a Payment Date on which a Disequilibrium Event has occurred and to each Portfolio, the difference, if positive, between:

- (i) the relevant Single Portfolio Available Funds, and
- (ii) the aggregate of all amounts to be paid by the Issuer out of such Single Portfolio Available Funds under items First to Eleventh (in case of a Class A Disequilibrium Event), or First to Thirteenth (in case of a Class B Disequilibrium Event) of the Pre-Acceleration Order of Priority.

"**Principal Amount Outstanding**" means, in respect of a Note, on any date, the principal amount of that Note upon issue less the aggregate amount of all principal payments in respect of that Note that have been paid to the Noteholders prior to such date.

"**Principal Instalment**" means, in respect of each Claim, the principal component of each Instalment.

"**Principal Payment Amount**" means collectively the Class A Notes Principal Payment Amount and the Class B Notes Principal Payment Amount.

"**Rating Agencies**" means Moody's and S&P and any successors thereof and any other rating agency which shall be appointed by the Issuer to give a rating to the Investor Notes.

"**Relevant**" when applied to the term "Portfolio" with respect to a series of Class C Notes, means the Portfolio sold by the Originator that subscribes for such series of Class C Notes pursuant to the Class C Notes Subscription Agreement and *vice versa* when applied to the term "series of Class C Notes" with respect to a Portfolio, means the series of Class C Notes subscribed for by the Originator that sold such Portfolio; the same rule of interpretation shall apply to any other term which contains the words "Portfolio" or respectively "series of Class C Notes" or which is directly and univocally linked to any of them.

"**Relevant Proportion**" means, on each Calculation Date, for each Portfolio and each Relevant Swap Transaction, the ratio - calculated on such Calculation Date in accordance with the terms of the Schedule 2 to the Intercreditor Agreement – pursuant to which the amounts (if any) payable to the Swap Counterparty under the Relevant Swap Transaction are allocated to such Portfolio.

"**Relevant Securities**" means with the respect to each Limited Recourse Loan Provider, the Securities transferred to the Issuer by such Limited Recourse Loan Provider pursuant to the Limited Recourse Loan Agreement.

"**Relevant Swap Transaction**" means, in respect of each Portfolio, any Swap Transaction under which such Portfolio is hedged.

"**Reserve Amount**" means, with respect to each Payment Date on which the Pre-Acceleration Order of Priority or the Cross Collateral Order of Priority applies, an amount equal to the difference, if a positive number, between:

€ 4,000,000; and

the amount standing to the credit of the Reserve Account as at the Collection Date immediately preceding such Payment Date.

"**Reserve Amount Quota**" means:

- (1) with respect to each Payment Date on which the Pre-Acceleration Order of Priority applies, on which a Detrimental Event has occurred and with respect to each Portfolio, the lower of:

- A. the difference, if positive, between (a) the relevant Single Portfolio Available Funds, and (b) the aggregate of all amounts to be paid by the Issuer on such Payment Date out of the relevant Single Portfolio Available Funds under items *First* to *Sixteenth* of the Pre-Acceleration Order of Priority; and
 - B. the amount calculated as follows:
 - (i) the difference, if positive, between (a) the relevant Single Portfolio Available Funds, and (b) the aggregate of all amounts to be paid by the Issuer on such Payment Date out of the relevant Single Portfolio Available Funds under items *First* to *Sixteenth* of the Pre-Acceleration Order of Priority;

multiplied by
 - (ii) the ratio between:
 - (x) the Reserve Amount as at such Payment Date and
 - (y) the aggregate of the amounts calculated for each of the Portfolios as the difference, if positive, between (a) the relevant Single Portfolio Available Funds, and (b) the aggregate of all amounts to be paid by the Issuer on such Payment Date out of the relevant Single Portfolio Available Funds under items from One to Sixteen of the Pre-Acceleration Order of Priority; and
- (2) with respect to each Payment Date on which the Cross Collateral Order of Priority applies, on which a Detrimental Event has occurred and with respect to each Portfolio, the lower of:
- A. the Reserve Amount; and
 - B. the difference, if positive, between (a) the Issuer Available Funds, and (b) the aggregate of all amounts to be paid by the Issuer on such Payment Date out of the Issuer available Funds under items from *First* to *Fourteenth* of the Cross Collateral Order of Priority.

"Retention Amount" means an amount equal to € 50,000.

"Securities" means the securities transferred to the Issuer by the Limited Recourse Loan Providers pursuant to the Limited Recourse Loan Agreement.

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

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

"Senior Costs" means any amounts to be paid by the Issuer to the Irish Company under items *First* (iii) and (iv), *Second* (i) (b) and *Fifth* (ii) of the Pre-Acceleration Order of Priority and the Cross Collateral Order of Priority; and items *First* (iii) and (iv), *Second* (ii), (iii) and (iv) and *Sixth* (ii) of the Acceleration Order of Priority.

"Single Portfolio Amortised Principal" means, with respect to each Payment Date and to each Portfolio, an amount equal to the aggregate of:

- i) the aggregate amount of the Principal Instalments of the relevant Claims collected during the immediately preceding Collection Period excluding, all Principal Instalments collected in such

immediately preceding Collection Period in relation to the Claims that have become Defaulted Claims in any previous Collection Period (without prejudice to the provisions under items (iii) and (iv) below);

- ii) the aggregate amount of the Principal Instalments of the Pre-paid Claims that have been prepaid during the immediately preceding Collection Period;
- iii) the Outstanding Principal of the Claims of such Portfolio that have become Defaulted Claims during the immediately preceding Collection Period, as of the date when such Claims became Defaulted Claims;
- iv) any amount received by the Issuer during the immediately preceding Collection Period from the Originator of such Portfolio pursuant to the relevant Transfer Agreement and/or the Warranty and Indemnity Agreement; and
- v) the Single Portfolio Amortised Principal unpaid at the previous Payment Date.

"Single Portfolio Available Funds" means, in respect of each Payment Date and each Portfolio, the aggregate of:

- i) all the Collections received by the Issuer, through the relevant Servicer of such Portfolio, during the immediately preceding Collection Period in relation to the relevant Claims;
- ii) all other amounts transferred during the immediately preceding Collection Period from the relevant Transitory Collections and Recoveries Account into the Collections and Recoveries Account;
- iii) only in respect of the Payment Date falling on December 2007, any relevant Single Portfolio Class A Notes Principal Payment Amount, Single Portfolio Class B Notes Principal Payment Amount and Single Series Available Class C Notes Redemption Funds paid into the Principal Accumulation Account on the preceding Payment Dates;
- iv) all interest accrued on the amounts standing to the credit of each of the Accounts (except for the Expenses Account and the Quota Capital Account) and payments received under the Eligible Investments during the immediately preceding Collection Period;
- v) all amounts paid into the credit of the relevant Principal Amortisation Reserve Account on the immediately preceding Payment Date;
- vi) the relevant Outstanding Notes Ratio of all interest accrued on the amounts standing from time to time to the credit of the Expenses Account during the immediately preceding Collection Period;
- vii) the Relevant Proportion of all amounts due and payable to the Issuer on such Payment Date under the terms of the Relevant Swap Transactions;
- viii) all amounts, if any, received from the relevant Originator pursuant to the Warranty and Indemnity Agreement and/or the Transfer Agreement in respect of the relevant Claims during the immediately preceding Collection Period;
- ix) the relevant Outstanding Notes Ratio of all the amounts paid into the Payments Account during the immediately preceding Collection Period;
- x) with respect to the first Payment Date on which the Pre-Acceleration Order of Priority applies following full redemption of the Senior Notes, the amounts paid into the Reserve Account in any preceding Payment Date out of the relevant Single Portfolio Available Funds;

- xi) with respect to each Payment Date on which a Single Portfolio Detrimental Event has not occurred, the difference, if positive, between (a) the amounts paid into such Single Portfolio Reserve Account in any preceding Payment Date and not yet utilized as Single Portfolio Available Funds and (b) the amount calculated as follows: (I) the amounts paid into such Single Portfolio Reserve Account in any preceding Payment Date and not yet utilized as Single Portfolio Available Funds, multiplied by (II) the ratio between (x) the Advances to be made available to the Issuer under the Liquidity Agreement on such Payment Date by the Liquidity Providers together with the Advances made available by the Liquidity Providers on previous Payment Dates and not yet fully reimbursed, and (y) the aggregate of all amounts paid into all Single Portfolio Reserve Accounts in any preceding Payment Date and not yet utilized as Single Portfolio Available Funds;
- xii) all the interest accrued on the Relevant Securities and paid into the Payments Account during the immediately preceding Collection Date;
- xiii) any proceeds paid to the Issuer resulting from any termination of the Swap Transactions only to the purpose of entering into a replacement Swap Transaction, and to the extent such proceeds exceed the cost of entering into a replacement Swap Agreement such excess may be utilised only to pay any shortfall under items *Eighth* or *Ninth* of the Pre- Acceleration Order of Priority. Provided that any amount under this item could be fully utilised if by doing so the Senior Notes will be fully redeemed on that Payment Date; and
- xiv) until full repayment of the Senior Notes: (a) only in respect of payments ranking as *First*, *Second*, *Fourth*, *Fifth*, *Sixth*, *Seventh*, *Eighth*, *Ninth*, and *Tenth*, of the Pre-Acceleration Order of Priority of the Notes, shall include (I) any Advances which are made to the Issuer with respect to such Payment Date in relation to any Single Portfolio Negative Balance of such Portfolio or (II) up to an amount equal to the amount of any Advances to be made to the Issuer with respect to such Payment Date in relation to such Portfolio, the proceeds from the sale of the Relevant Securities to be used alternatively to the Advances, in accordance with the terms of the Limited Recourse Loan Agreement; and (b) in respect of payments ranking as *Eleventh*, *Thirteenth* and *Fifteenth* of the Pre Acceleration Order of Priority, the difference (if positive) between the Advances available after making the payments under letter (a) above, and an amount equal to 0.8 % of the Principal Amount Outstanding of the Senior Notes of the relevant Portfolio as at the day following the immediately preceding Payment Date. Provided that the Advances could be fully utilised if by doing so the Senior Notes will be fully redeemed on that Payment Date;

but excluding: (i) any amount held by the Issuer which properly belongs to the Swap Counterparty in respect of any Tax Credit (as defined in the Swap Agreement) and payable to the Swap Counterparty pursuant to the Swap Agreement; (ii) prior to the occurrence of an Early Termination Date (as defined in the Swap Agreement) for the Swap Transactions, the amount (if any) standing to the credit of the account into which the collateral posted pursuant to the Swap Agreement is paid (the "**Collateral Account**"); and (iii) following the date on which the Swap Transactions are terminated, the amount standing to the credit of the Collateral Account (if any) which exceeds the termination amount (if any) that would have otherwise been payable by the Swap Counterparty to the Issuer had the collateral not been provided.

"Single Portfolio Class A Notes Principal Amount Outstanding" means with respect to each Payment Date and to each Portfolio the difference between:

- (i) the relevant Single Portfolio Initial Class A Notes Principal Amount Outstanding; and
- (ii) the aggregate of all the Single Portfolio Class A Notes Principal Payment Amounts paid to the Class A Noteholders on the preceding Payment Dates.

"Single Portfolio Class B Notes Principal Amount Outstanding" means with respect to each Payment Date and to each Portfolio the difference between:

- (i) the relevant Single Portfolio Initial Class B Notes Principal Amount Outstanding; and
- (ii) the aggregate of all the Single Portfolio Class B Notes Principal Payment Amounts paid to the Class B Noteholders on the preceding Payment Dates.

"Single Portfolio Class A Notes Principal Payment Amount" means with respect to each Payment Date and to each Portfolio the lesser of:

- (i) the relevant Single Portfolio Amortised Principal with respect to such Payment Date, and
- (ii) the relevant Single Portfolio Class A Notes Principal Amount Outstanding as at the immediately preceding Collection Date.

"Single Portfolio Class B Notes Principal Payment Amount" means with respect to each Payment Date and to each Portfolio the lesser of:

- (i) the relevant Single Portfolio Amortised Principal with respect to such Payment Date, and
- (ii) the Single Portfolio Class B Notes Principal Amount Outstanding as at the immediately preceding Collection Date.

"Single Portfolio Detrimental Event" has the meaning ascribed to it in Condition 4.4.

"Single Portfolio Initial Class A Notes Principal Amount Outstanding" means (i) with respect to Portfolio No. 1 the Principal Amount Outstanding as at the Issue Date of 9.00% of the Class A Notes, equal to Euro 39,000,000; (ii) with respect to Portfolio No. 2 the Principal Amount Outstanding as at the Issue Date of 4.70% of the Class A Notes, equal to Euro 20,290,000; (iii) with respect to Portfolio No. 3 the Principal Amount Outstanding as at the Issue Date of 8.00% of the Class A Notes, equal to Euro 34,567,000; (iv) with respect to Portfolio No. 4 the Principal Amount Outstanding as at the Issue Date of 3.54% of the Class A Notes, equal to Euro 15,309,000; (v) with respect to Portfolio No. 5 the Principal Amount Outstanding as at the Issue Date of 3.10% of the Class A Notes, equal to Euro 13,394,000; (vi) with respect to Portfolio No. 6 the Principal Amount Outstanding as at the Issue Date of 6.59% of the Class A Notes, equal to Euro 28,454,000; (vii) with respect to Portfolio No. 7 the Principal Amount Outstanding as at the Issue Date of 5.59% of the Class A Notes, equal to Euro 24,150,000; (viii) with respect to Portfolio No. 8 the Principal Amount Outstanding as at the Issue Date of 3.44% of the Class A Notes, equal to Euro 14,873,000; (ix) with respect to Portfolio No. 9 the Principal Amount Outstanding as at the Issue Date of 4.00% of the Class A Notes, equal to Euro 17,287,000; (x) with respect to Portfolio No. 10 the Principal Amount Outstanding as at the Issue Date of 7.98% of the Class A Notes, equal to Euro 34,473,000; (xi) with respect to Portfolio No. 11 the Principal Amount Outstanding as at the Issue Date of 3.91% of the Class A Notes, equal to Euro 16,879,000; (xii) with respect to Portfolio No. 12 the Principal Amount Outstanding as at the Issue Date of 12.61% of the Class A Notes, equal to Euro 54,471,000; (xiii) with respect to Portfolio No. 13 the Principal Amount Outstanding as at the Issue Date of 5.60% of the Class A Notes, equal to Euro 24,184,000; (xiv) with respect to Portfolio No. 14 the Principal Amount Outstanding as at the Issue Date of 3.37% of the Class A Notes, equal to Euro 14,547,000; (xv) with respect to Portfolio No. 15 the Principal Amount Outstanding as at the Issue Date of 3.58% of the Class A Notes, equal to Euro 15,466,000; (xvi) with respect to Portfolio No. 16 the Principal Amount Outstanding as at the Issue Date of 2.76% of the Class A Notes, equal to Euro 11,909,000; (xvii) with respect to Portfolio No. 17 the Principal Amount Outstanding as at the Issue Date of 5.19% of the Class A Notes, equal to Euro 22,413,000; and (xviii) with respect to Portfolio No. 18 the Principal Amount Outstanding as at the Issue Date of 7.04% of the Class A Notes, equal to Euro 30,399,000.

"Single Portfolio Initial Class B Notes Principal Amount Outstanding" means (i) with respect to Portfolio No. 1 the Principal Amount Outstanding as at the Issue Date of 9.100% of the Class B Notes, equal to Euro 1,674,000; (ii) with respect to Portfolio No. 2 the Principal Amount Outstanding as at the Issue Date of 4.730% of the Class B Notes, equal to Euro 870,000; (iii) with respect to Portfolio No. 3 the Principal Amount Outstanding as at the Issue Date of 8.050% of the Class B Notes, equal to Euro 1,482,000; (iv) with respect to Portfolio No. 4 the Principal Amount Outstanding as at the Issue Date of 3.480% of the Class B Notes, equal to Euro 641,000; (v) with respect to Portfolio No. 5 the Principal Amount Outstanding as at the Issue Date of 3.040% of the Class B Notes, equal to Euro 560,000; (vi) with respect to Portfolio No. 6 the Principal Amount Outstanding as at the Issue Date of 6.530% of the Class B Notes, equal to Euro 1,201,000; (vii) with respect to Portfolio No. 7 the Principal Amount Outstanding as at the Issue Date of 5.590% of the Class B Notes, equal to Euro 1,028,000; (viii) with respect to Portfolio No. 8 the Principal Amount Outstanding as at the Issue Date of 3.390% of the Class B Notes, equal to Euro 623,000; (ix) with respect to Portfolio No. 9 the Principal Amount Outstanding as at the Issue Date of 3.950% of the Class B Notes, equal to Euro 726,000; (x) with respect to Portfolio No. 10 the Principal Amount Outstanding as at the Issue Date of 7.940% of the Class B Notes, equal to Euro 1,461,000; (xi) with respect to Portfolio No. 11 the Principal Amount Outstanding as at the Issue Date of 3.910% of the Class B Notes, equal to Euro 719,000; (xii) with respect to Portfolio No. 12 the Principal Amount Outstanding as at the Issue Date of 12.600% of the Class B Notes, equal to Euro 2,318,000; (xiii) with respect to Portfolio No. 13 the Principal Amount Outstanding as at the Issue Date of 5.710% of the Class B Notes, equal to Euro 1,051,000; (xiv) with respect to Portfolio No. 14 the Principal Amount Outstanding as at the Issue Date of 3.370% of the Class B Notes, equal to Euro 620,000; (xv) with respect to Portfolio No. 15 the Principal Amount Outstanding as at the Issue Date of 3.570% of the Class B Notes, equal to Euro 656,000; (xvi) with respect to Portfolio No. 16 the Principal Amount Outstanding as at the Issue Date of 2.750% of the Class B Notes, equal to Euro 507,000; (xvii) with respect to Portfolio No. 17 the Principal Amount Outstanding as at the Issue Date of 5.170% of the Class B Notes, equal to Euro 951,000; and (xviii) with respect to Portfolio No. 18 the Principal Amount Outstanding as at the Issue Date of 7.120% of the Class B Notes, equal to Euro 1,312,000.

"Single Portfolio Negative Balance" means with respect to any Payment Date and to each Portfolio the difference, if positive, between (a) all amounts due to be paid by the Issuer on such Payment Date under items *One to Eleven, Thirteen, Fifteen and Sixteen* (inclusive) of the Pre-Acceleration Order of Priority and (b) the Single Portfolio Available Funds with respect to such Portfolio and to such Payment Date before any Advance to be granted to the Issuer by the relevant Liquidity Provider under the relevant Liquidity Agreement with respect to such Payment Date and excluding any amount under item (viii) of the definition of Single Portfolio Available Funds.

"Single Portfolio Notes Principal Amount Outstanding" means with respect to each Payment Date:

- i) with respect to Portfolio No. 1, the aggregate of the relevant Single Portfolio Class A Notes Principal Amount Outstanding, the relevant Single Portfolio Class B Notes Principal Amount Outstanding and the Principal Amount Outstanding of the Class C1 Notes;
- ii) with respect to Portfolio No. 2, the aggregate of the relevant Single Portfolio Class A Notes Principal Amount Outstanding, the relevant Single Portfolio Class B Notes Principal Amount Outstanding and the Principal Amount Outstanding of the Class C2 Notes;
- iii) with respect to Portfolio No. 3, the aggregate of the relevant Single Portfolio Class A Notes Principal Amount Outstanding, the relevant Single Portfolio Class B Notes Principal Amount Outstanding and the Principal Amount Outstanding of the Class C3 Notes;
- iv) with respect to Portfolio No. 4 the aggregate of the relevant Single Portfolio Class A Notes Principal Amount Outstanding, the relevant Single Portfolio Class B Notes Principal Amount Outstanding and the Principal Amount Outstanding of the Class C4 Notes;

in each case as at the immediately preceding Collection Date.

"Single Portfolio Reserve Amount" means with respect to a Payment Date on which a Single Portfolio Detrimental Event has occurred and to each Portfolio, the difference, if positive, between:

- i) the relevant Single Portfolio Available Funds, and
- ii) the aggregate of all amounts to be paid by the Issuer out of such Single Portfolio Available Funds under items *One* to *Sixteen* of the Pre-Acceleration Order of Priority.

"Single Provider Maximum Commitment Amount" means the maximum amount which each Liquidity Provider will make available to the Issuer under the terms of the Liquidity Agreement, which is equal to: with respect to BCC Alto Garda, Euro 1,650,000; with respect to BCC Alto Vicentino, Euro 870,000; with respect to BCC Bolzano, Euro 1,508,000; with respect to BCC Cavola e Sassuolo, Euro 668,000; with respect to BCC Folgaria, Euro 626,000; with respect to BCC Lavis, Euro 1,241,000; with respect to BCC Marcon, Euro 1,053,000; with respect to BCC Mezzocorona, Euro 690,000; with respect to BCC Mezzolombardo, Euro 754,000; with respect to BCC Pergine, Euro 1,504,000; with respect to BCC Pinetana, Euro 750,000; with respect to BCC Prealpi, Euro 2,329,000; with respect to BCC Rovereto, Euro 1,055,000; with respect to BCC Tione, Euro 680,000; with respect to BCC Val di Fassa, Euro 680,000; with respect to BCC Valle dei Laghi, Euro 520,000; with respect to BCC Valsabbia, Euro 978,000; with respect to BCC Veneziano, Euro 1,290,000.

"Single Series Available Class C Notes Redemption Funds" means with respect to each Payment Date and to each series of Class C Notes, an amount, calculated as at the Collection Date immediately preceding such Payment Date, equal to the lesser of:

- i) the Single Portfolio Available Funds with respect to the relevant Portfolio, available for redemption of the Principal Amount Outstanding of such series of Class C Notes according to the Pre-Acceleration Order of Priority or the Acceleration Order of Priority or the Cross Collateral Order of Priority as applicable; and
- ii) the Principal Amount Outstanding of such series of Class C Notes.

"Single Series Class C Notes Interest Payment Amount" means with respect to each Payment Date and to each series of Class C Notes an amount, calculated on the Calculation Date immediately preceding such Payment Date, equal to:

- i) the aggregate of all Interest Instalments accrued on the Claims of the relevant Portfolio in the immediately preceding Collection Period (excluding Interest Accruals); plus
- ii) the aggregate of all fees for prepayment paid on the Claims of the relevant Portfolio in the immediately preceding Collection Period; plus
- iii) the aggregate of all interest for late payments (interessi di mora) paid on the Claims of the relevant Portfolio in the immediately preceding Collection Period; plus
- iv) all amounts to be received by the Issuer under the Relevant Swap Transaction on the Payment Date; plus
- v) all amounts received or recovered by the Issuer in the immediately preceding Collection Period with respect to the relevant Claims which are or have been Defaulted Claims; plus
- vi) (a) the relevant Outstanding Notes Ratio of all amounts of interest (if any) accrued on the amounts standing from time to time to the credit of the Payments Account, the Expenses Account, the Collection and Recoveries Account and the Principal Accumulation Account and

paid into the same during the immediately preceding Collection Period; and (b) all amounts of interest (if any) accrued on the amounts standing from time to time to the credit of the relevant Transitory Collections and Recoveries Account, Single Portfolio Reserve Account, Principal Amortisation Reserve Account and Liquidity Reserve Account and paid into the same during the immediately preceding Collection Period; and (c) all amounts of interest (if any) accrued on the amounts standing from time to time to the credit of the Reserve Account which were paid into it out of the relevant Single Portfolio Available Funds, during the immediately preceding Collection Period; plus

- vii) the relevant Outstanding Notes Ratio of all payments (if any) received under the Eligible Investments during the immediately preceding Collection Period; minus
- viii) the aggregate of all amounts due to be paid by the Issuer on the next following Payment Date out of the relevant Single Portfolio Available Funds under items *First*, *Second* and *Fourth* through to *Ninth*, *Fifteenth* and *Sixteenth* of the Pre-Acceleration Order of Priority, or the relevant Outstanding Notes Ratio of all amounts due to be paid by the Issuer on the next following Payment Date under items *First*, *Second* and *Fifth* through to *Tenth*, *Fourteenth* and *Fifteenth* of the Acceleration Order of Priority or the relevant Outstanding Notes Ratio of all amounts due to be paid by the Issuer on the next following Payment Date under items *First*, *Second* and *Fourth* through to *Ninth*, *Thirteenth* and *Fourteenth* of the Cross Collateral Order of Priority; minus
- ix) the Outstanding Balance of all the Claims of the relevant Portfolio which have become Defaulted Claims during the immediately preceding Collection Period calculated as at the immediately preceding Collection Date;

but excluding: (i) any amount held by the Issuer which properly belongs to the Swap Counterparty in respect of any Tax Credit (as defined in the Swap Agreement) and payable to the Swap Counterparty pursuant to the Swap Agreement; (ii) prior to the occurrence of an Early Termination Date (as defined in the Swap Agreement) for the Swap Transactions, the amount (if any) standing to the credit of the account into which the collateral posted pursuant to the Swap Agreement is paid (the "**Collateral Account**"); and (iii) following the date on which the Swap Transactions are terminated, the amount standing to the credit of the Collateral Account (if any) which exceeds the termination amount (if any) that would have otherwise been payable by the Swap Counterparty to the Issuer had the collateral not been provided.

"**Transfer Date**" means 31 May 2006.

"**Unpaid Instalment**" means any Instalment that is not duly paid by the relevant Borrower on the scheduled date for payment thereof.

"**Valuation Date**" means 10 April 2006.

1. **FORM, DENOMINATION, STATUS**

(1) The Notes are in bearer and dematerialised form and will be wholly and exclusively deposited with Monte Titoli in accordance with Article 28 of Italian Legislative Decree No. 213 of 24 June 1998, through the authorised institutions listed in Article 30 of such Legislative Decree.

(2) The Notes will be held by Monte Titoli on behalf of the Noteholders until redemption for the account of the relevant Monte Titoli Account Holder. The expression "Monte Titoli Account Holder" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli. Title to the Notes will be evidenced by one or more book entries in accordance with the provisions of (i) Article 28 of Italian Legislative Decree No. 213 of 24 June 1998; and (ii) CONSOB Resolution No. 11768 of 23 December 1998, as subsequently, and as further amended from time to time. No physical document of title will be issued in respect of the Notes.

- (3) Senior Notes shall be issued in denominations of Euro 5,000. Each series of Class C Notes will be issued in denominations of Euro 1.
- (4) Each Note is issued subject to and has the benefit of the Security Documents.

2. STATUS, PRIORITY AND SEGREGATION

(1) 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 actual amount received or recovered from time to time by or on behalf of the Issuer in respect of the Claims and the Transaction Documents and which the Issuer or the Representative of the Noteholders is entitled to apply in accordance with the applicable Order of Priority and the terms of the Intercreditor Agreement and neither the Representative of the Noteholders nor any relevant Noteholder may take any further steps against the Issuer or any of its assets to recover any unpaid sum and the Issuer's liability for any unpaid sum will be extinguished. 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. Without prejudice to the acknowledgement that the limited recourse nature of the Notes produces the effects of a "*contratto aleatorio*", any payment obligations of the Issuer under the Notes as have remained unpaid to the extent referred to above following the completion of any proceedings for the recovery of any claim and, in any event, as of the legal maturity of the Notes shall be deemed extinguished as if the relevant claims had hereby been irrevocably relinquished and surrendered by the Noteholders to the Issuer and the Noteholders will have no further recourse to the Issuer in respect of such obligations.

(2) The Notes are secured by certain assets of the Issuer pursuant to the Security Documents and in addition, by operation of Italian law, the Issuer's right, title and interest in and to the Portfolios is segregated from all other assets of the Issuer. Amounts deriving from the Portfolios will only be available, both prior to and following the winding-up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders and the Other Issuer Creditors in accordance with the applicable Order of Priority set forth in Condition 4 (*Order of Priority*) and to any third party creditors in respect of costs, fees and expenses incurred by the Issuer to such third party creditors in relation to the Transaction.

(3) The Notes of each Class will rank *pari passu* and without any preference or priority among themselves.

(4) As long as the Notes of a Class ranking in priority to the other Classes of Notes are outstanding, unless notice has been given to the Issuer declaring the Notes of such Class due and payable, the Notes of the Class(es) ranking below may not be declared due and payable and the Noteholders of the outstanding Class of Notes ranking highest in priority shall be entitled to determine the remedies to be exercised.

(5) The Intercreditor Agreement contains provisions regarding the protection of the respective interests of all Noteholders in connection with the exercise of the powers, authorities, rights, duties and discretion of the Representative of the Noteholders under or in connection with the Notes or any of the Transaction Documents. If, however, in the opinion of the Representative of the Noteholders, there is or may be a conflict between the interests of the Noteholders of any Class(es) of Notes, the Representative of the Noteholders is required to regard only the interests of the Class of Noteholders ranking highest in the applicable Order of Priority, until such Class of Notes has been redeemed in full.

3. COVENANTS

So long as any amount in respect of the Notes remains outstanding, the Issuer shall not, save with the prior written consent of the Representative of the Noteholders (without prejudice to the provision of Condition 3.10 below) or as provided for in or envisaged by any of the Transaction Documents:

3.1 *Negative pledge*

create or permit to subsist any Security Interest whatsoever over any of the Portfolios or any part thereof or over any of its other assets or sell, lend, part with or otherwise dispose of all or any part of the Portfolios or any of its assets related to the Transaction; or

3.2 *Restrictions on activities*

a) save as provided in Condition 3.10 below (Further Securitisations), engage in any activity whatsoever which is not incidental to or necessary in connection with any of the activities in which the Transaction Documents provide or envisage that the Issuer will engage; or

b) have any *società controllata* (subsidiary) or *società collegata* (affiliate company) (as defined in Article 2359 of the *Codice Civile*) or any employees or premises; or

c) at any time approve or agree or consent to or do, or permit to be done, any act or thing whatsoever which may be materially prejudicial to the interests of the Class A Noteholders or, if no Class A Notes are outstanding, the Class B Noteholders or, if no Class B Notes are outstanding, the Class C Noteholders under the Transaction Documents; or

d) become the owner of any real estate asset; or

e) to the purpose of the Council Regulation (EC) No. 1346/2000 of May 29, 2000 on insolvency proceedings, move its centre of main interest, (i.e. the place where it conducts the administration of its interests on a regular basis and is therefore ascertainable by third parties), outside Italy.

3.3 *Dividends, Distributions and Capital Increases*

pay any dividend or make any other distribution or return or repay any equity capital to its quotaholders, or issue any further quota or shares; or

3.4 *De-registrations*

ask for de-registration from the register held by *Ufficio Italiano Cambi* pursuant to Article 106 of the Consolidated Banking Act or from the register kept by the Bank of Italy under Article 107 of the Consolidated Banking Act, for as long as Law 130, the Consolidated Banking Act or any other applicable law or regulation requires the company incorporated pursuant to Law 130 to be registered thereon; or

3.5 *Borrowings*

incur any indebtedness in respect of any borrowed money whatsoever or give any guarantee in respect of indebtedness or of any obligation of any person other than for the purposes of the Transaction; or

3.6 *Merger*

consolidate or merge with any person or convey or transfer any of its properties or assets to any person, unless in connection with, or for the purposes of, the Transaction; or

3.7 ***No variation or waiver***

permit any of the Transaction Documents to which it is party to be amended, terminated or discharged, if such amendment, termination or discharge may negatively affect the interest of the Senior Noteholders; or exercise any powers of consent or waiver pursuant to the terms of any of the Transaction Documents to which it is a party, in a way which may negatively affect the interest of the Senior Noteholders; or permit any party to any of the Transaction Documents to which it is a party to be released from its obligations thereunder, if such release may negatively affect the interest of the Senior Noteholders; or

3.8 ***Bank Accounts***

have an interest in any bank account other than the Accounts; or

3.9 ***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

3.10 ***Further securitisation***

carry out other securitisation transactions or, without limiting the generality of the foregoing, implement, enter into, make or execute any document, act, deed or agreement in connection with any other securitisation transaction without the prior written consent of the Representative of the Noteholders subject to prior confirmation of the Rating Agencies that any such securitisation transaction will not adversely affect the rating of any of the Investor Notes.

4. **ORDERS OF PRIORITY**

4.1 ***Pre-Acceleration Order Of Priority***

Save for the provisions of Condition 4.5 and 4.6, the Single Portfolio Available Funds relating to each of the Portfolios shall be applied on each Payment Date in making the following payments in the following order of priority (in each case, only if and to the extent that payments of a higher priority have been made in full):

First (pari passu and pro rata to the extent of the respective amounts thereof), to pay the relevant Outstanding Notes Ratio of (i) all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Issuer or to maintain it in good standing or to comply with the applicable legislation and regulations (ii) all costs and taxes required to be paid in connection with the registration and deposit of the Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents; (iii) 50% (fifty percent.) of all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Irish Company or to maintain it in good standing or to comply with the applicable legislation and regulations until the CF6 Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter; (iv) 50% (fifty percent.) of all costs and taxes required to be paid to maintain the rating of the Investor Notes and in connection with the registration and deposit of the Investor Notes, or any notice to be given to the noteholders or the other parties to the documentation of the Irish Transaction until the CF6 Notes are redeemed in full and

100% (one hundred percent.) of such amounts thereafter; each of the above to the extent not met by utilising the amount standing to the credit of the Expenses Account;

Second, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) the relevant Outstanding Notes Ratio of (i) (a) the fees, expenses and all other amounts due to the Representative of Noteholders and the Security Trustee and (b) 50% (fifty percent.) of the fees, expenses and all other amounts due to the representative of noteholders and the security trustee appointed under the Irish Transaction until the CF6 Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter; and (ii) upon payment in full of the amounts due to the Representative of the Noteholders, the Security Trustee and the Investor Notes trustee under paragraph (i), (*pari passu* and *pro rata* to the extent of the respective amounts thereof) all amount of interest due and payable to the relevant Limited Recourse Loan Provider pursuant to the Limited Recourse Loan Agreement;

Third, to repay the Advances (if any) made under the Liquidity Agreement by the relevant Liquidity Provider for the liquidity support provided in relation to its respective Portfolio;

Fourth, to pay into the Expenses Account the relevant Outstanding Notes Ratio of the amount (if any) necessary to ensure that the balance standing to the credit of the Expenses Account as at such Payment Date is equal to the Retention Amount;

Fifth, (*pari passu* and *pro rata* to the extent of the respective amounts thereof) to pay the relevant Outstanding Notes Ratio of (i) the fees, expenses and all other amounts due to the Cash Manager, the Computation Agent, the Agent Bank, the Operating Bank, the Transaction Bank, the English Transaction Bank, the Paying Agents, the Corporate Services Provider and the Stichting Corporate Services Provider and (ii) 50% (fifty percent.) of the fees, expenses and all other amounts due to the Rating Agencies, the Investor Notes principal paying agent, the Investor Notes agent bank, the Investor Notes custodian, the Luxemburg paying agent and the Irish Company administrator, appointed under the Irish Transaction until the CF6 Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter;

Sixth, to pay the Relevant Proportion of all amounts due and payable to the Swap Counterparty under the terms of the Swap Agreement other than any termination payment due to the Swap Counterparty upon termination of the Swap Transactions in circumstances where the Swap Counterparty is the Defaulting Party (as defined in the 1992 ISDA Master Agreement) but including, in any event the amount of any termination payment due and payable to the Swap Counterparty in relation to the termination of the Swap Transactions to the extent of any premium received (net of any costs reasonably incurred by the Issuer to find a replacement swap counterparty), if any, by the Issuer from a replacement swap counterparty in consideration for entering into swap transactions with the Issuer on the same terms as the Swap Transactions;

Seventh, to pay the fees and expenses of the Servicer of its respective Portfolio pursuant to the Servicing Agreement (to the extent not expressly included in any following item);

Eighth, to pay all amounts of interest due and payable on the Single Portfolio Class A Notes Principal Amount Outstanding on such Payment Date (pro rata according to the amounts then due);

Ninth, to pay all amounts of interest due and payable on the Single Portfolio Class B Notes Principal Amount Outstanding on such Payment Date (pro rata according to the amounts then due);

Tenth, to pay to the relevant Originator any amount due by the Issuer as a restitution of the indemnities paid by such Originator to the Issuer under the terms of the Warranty and Indemnity Agreement;

Eleventh, to pay the relevant Single Portfolio Class A Notes Principal Payment Amount then due with respect to such Payment Date and the relevant Single Portfolio Class A Notes Principal Payment Amount due with respect to previous Payment Dates but unpaid, provided that on the Payment Dates falling before December 2007 the amount which would be payable to the Class A Noteholders according to the foregoing will be paid into the Principal Accumulation Account and will become payable to the Class A Noteholders on the Payment Date falling on December 2007 (*pro rata* according to the amounts then due);

Twelfth, upon the occurrence of a Class A Disequilibrium Event with respect to one or more Portfolios, to pay the relevant Principal Amortisation Reserve Amount into the relevant Principal Amortisation Reserve Account;

Thirteenth, after the Class A Notes have been redeemed in full, to pay the relevant Single Portfolio Class B Notes Principal Payment Amount with respect to such Payment Date and the Single Portfolio Class B Notes Principal Payment Amount due with respect to previous Payment Dates but unpaid; provided that on the Payment Dates falling before December 2007, the amount which would be payable to the Class B Noteholders according to the foregoing will be paid into the Principal Accumulation Account and will become payable to the Class B Noteholders on the Payment Date falling on December 2007 (*pro rata* according to the amounts then due);

Fourteenth, upon the occurrence of a Class B Disequilibrium Event with respect to one or more Portfolios, to pay the relevant Principal Amortisation Reserve Amount into the relevant Principal Amortisation Reserve Account;

Fifteenth, to pay *pari passu* and *pro rata*, all amounts of interest due and payable on the Advances made to the Issuer by the relevant Liquidity Provider;

Sixteenth, to pay the Relevant Proportion of any termination payment due and payable to the Swap Counterparty under the terms of the Swap Agreement upon termination of the Relevant Swap Transaction in circumstances where the Swap Counterparty is the Defaulting Party other than the payments referred to under item *Sixth* above;

Seventeenth, on any Payment Date with respect to which a Single Portfolio Detrimental Event has occurred, to pay the relevant Single Portfolio Reserve Amount into the relevant Single Portfolio Reserve Account;

Eighteenth, on any Payment Date with respect to which a Detrimental Event has occurred, to pay the Reserve Amount Quota into the Reserve Account;

Nineteenth, to pay to the Originator the Interest Accruals in relation to its respective Portfolio;

Twentieth, to pay to the Originator any amount due and payable in respect of purchase price adjustments due in relation to its respective Claims, not listed under the relevant Transfer Agreement but matching the criteria listed in the Transfer Agreement, and any amount due and payable by the Issuer pursuant to the Warranty and Indemnity Agreement (save for amounts due and payable as a restitution of indemnities paid by the Originator of such Portfolio, referred to under item *Tenth* above);

Twenty-first, to pay to the Servicers, *pari passu* and *pro rata* according to the amounts then due, any amount due and payable as restitution of the insurance price and relevant expenses

advanced by the Servicers under the Servicing Agreement, in relation to the relevant Portfolio;

Twenty-second, to pay the Single Series Class C Notes Interest Payment Amount of the relevant series of Class C Notes, in each case to the extent such interest is due and payable on such Payment Date (*pro rata* according to the amounts then due);

Twenty-third, from (and including) the Payment Date on which the Senior Notes are repaid in full, to repay any amounts of principal due and payable to the relevant Limited Recourse Loan Provider under the Limited Recourse Loan Agreement;

Twenty-fourth, following full redemption of the Senior Notes, to redeem the Principal Amount Outstanding of the relevant series of Class C Notes in the maximum amount of the relevant Single Series Available Class C Notes Redemption Funds, provided that on the Payment Dates falling before December 2007, the amount which would be payable in redemption of each series of Class C Notes according to the foregoing shall be paid into the Principal Accumulation Account and shall become payable to the Class C Noteholders of such Series of Class C Notes on the Payment Date falling on December 2007 (in no order of priority inter se but *pro rata* to the extent of the respective amounts thereof);

Twenty-fifth, after full and final settlement of all the payments due under this Order of Priority and full redemption of all the Notes, to pay any surplus remaining on the balance of the relevant Transitory Collections and Recoveries Account, Single Portfolio Reserve Account and Principal Amortisation Reserve Account and the relevant Outstanding Notes Ratio of any surplus remaining on the balance of the Payments Account, the Collections and Recoveries Account, Principal Accumulation Account, Reserve Account and Expenses Account to each relevant Originator.

- 4.2 On each Payment Date with respect to which the Pre-Acceleration Order of Priority applies, following a written notice from the Computation Agent to the Issuer, the Liquidity Providers and the Representative of the Noteholders that a Class A Disequilibrium Event or a Class B Disequilibrium Event with respect to one or more Portfolios has occurred, the Issuer shall pay the relevant Principal Amortisation Reserve Amount into the respective Principal Amortisation Reserve Accounts in accordance with the Pre-Acceleration Order of Priority.

A Class A Disequilibrium Event shall occur with respect to a Portfolio, if on any Payment Date the Single Portfolio Available Funds relating to such Portfolio are not sufficient to pay in full the amounts due under item *Eleventh* of the Pre-Acceleration Order of Priority while the Single Portfolio Available Funds relating to all or some of the other Portfolios are sufficient to pay in full the amounts due under such item.

A Class B Disequilibrium Event shall occur with respect to a Portfolio, if on any Payment Date the Single Portfolio Available Funds relating to such Portfolio are not sufficient to pay in full the amounts due under item *Thirteenth* of the Pre-Acceleration Order of Priority while the Single Portfolio Available Funds relating to all or some of the other Portfolios are sufficient to pay in full the amounts due under such item.

- 4.3 On each Payment Date with respect to which the Pre-Acceleration Order of Priority or the Cross Collateral Order of Priority applies, but excluding any Payment Date in relation to which a Class A Disequilibrium Event or Class B Disequilibrium Event has occurred, following a written notice from the Computation Agent to the Issuer, the Liquidity Providers and the Representative of the Noteholders that a Detrimental Event has occurred, the Issuer shall be obliged to credit the Reserve Amount into the Reserve Account, in accordance with the Pre-Acceleration Order of Priority or the Cross Collateral Order of Priority.

A Detrimental Event shall occur with respect to a Payment Date when the Advances to be drawn under the Liquidity Agreement to provide liquidity support with respect to the Portfolios on such Payment Date together with all Advances drawn thereunder on the previous Payment Dates and not yet fully reimbursed to the Liquidity Providers is an amount equal to or higher than 20% of the Maximum Commitment Amount or the Subsequent Maximum Commitment Amount (as applicable).

- 4.4 On each Payment Date with respect to which the Pre-Acceleration Order of Priority applies, but excluding any Payment Date in relation to which a Class A Disequilibrium Event or Class B Disequilibrium Event has occurred, following a written notice from the Computation Agent to the Issuer, the Liquidity Providers and the Representative of the Noteholders, that a Single Portfolio Detrimental Event has occurred with respect to one or more Portfolios, the Issuer shall be obliged to credit the Single Portfolio Reserve Amount with respect to the relevant Portfolios into the relevant Single Portfolio Reserve Account.

A Single Portfolio Detrimental Event shall occur with respect to a Payment Date and to a Portfolio, when the Advances to be made available to the Issuer under the Liquidity Agreement on such Payment Date by a Liquidity Provider in relation to its respective Portfolio, together with any Advance made available by such Liquidity Provider on previous Payment Dates and not yet fully reimbursed, is an amount equal to or higher than 50% of the Single Provider Maximum Commitment Amount or the Subsequent Single Provider Maximum Commitment Amount (as applicable) with respect to such Liquidity Provider. Upon the occurrence of a Single Portfolio Detrimental Event with respect to one or more Portfolios, and on each following Payment Date until such event is continuing, the Issuer shall be obliged to credit the Single Portfolio Reserve Amount with respect to the each Portfolio having enough funds available for such purpose into the relevant Single Portfolio Reserve Account.

4.5 ***Acceleration Order Of Priority***

In each of the following cases: (i) following the delivery of a Trigger Notice, (ii) in the case of Redemption for Taxation, or (iii) in the case of Optional Redemption, the Issuer Available Funds shall be applied on each Payment Date in making the following payments in the following order of priority (in each case, only if and to the extent that payments of a higher priority have been made in full):

First (pari passu and pro rata to the extent of the respective amounts thereof) to pay (i) all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Issuer or to maintain it in good standing or to comply with the applicable legislation and regulations; (ii) all costs and taxes required to be paid in connection with the registration and deposit of the Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents; (iii) 50% (fifty percent.) of all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Irish Company or to maintain it in good standing or to comply with the applicable legislation and regulations until the CF6 Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter; and (iv) 50% (fifty percent.) of all costs and taxes required to be paid to maintain the rating of the Investor Notes and in connection with the registration and deposit of the Investor Notes, or any notice to be given to the noteholders or the other parties to the documentation of the Irish Transaction until the CF6 Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter; each of the above to the extent not met by utilising the amount standing to the credit of the Expenses Account;

Second, (pari passu and pro rata to the extent of the respective amounts thereof) to pay (i) the fees, expenses and all other amounts due to the Representative of Noteholders and the Security Trustee, (ii) 50% (fifty percent.) of all costs, fees and expenses incurred by the

Investor Notes trustee or any receiver appointed in the enforcement of the collateral to the Investor Notes or otherwise arising from the acceleration of the Investor Notes until the CF6 Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter; and (iii) 50% (fifty percent.) of all taxes and expenses required by law to be paid in relation to the Investor Notes until the CCF Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter; and (iv) 50% (fifty percent.) of the fees, expenses and all other amounts due to the Investor Notes trustee until the CF6 Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter;

Third, (pari passu and pro rata to extent of the respective amounts thereof) to pay all amounts of interest due and payable to the Limited Recourse Loan Providers pursuant to the Limited Recourse Loan Agreement;

Fourth, to repay the Advances (if any) made under the Liquidity Agreement by any Liquidity Provider (pro rata according to the amounts then due);

Fifth, to pay into the Expenses Account the amount (if any) necessary to ensure that the balance standing to the credit of the Expenses Account as at such Payment Date is equal to the Retention Amount;

Sixth, (pari passu and pro rata to the extent of the respective amounts thereof) to pay (i) the fees, expenses and all other amounts due to the Cash Manager, the Computation Agent, the Agent Bank, the Operating Bank, the Transaction Bank, the English Transaction Bank, the Paying Agents, the Corporate Services Provider and the Stichting Corporate Services Provider and (ii) 50% (fifty percent.) of the fees, expenses and all other amounts due to the Rating Agencies, the Investor Notes principal paying agent, the Investor Notes agent bank, the Investor Notes custodian, the Luxemburg paying agent and the Irish Company administrator appointed under the Irish Transaction until the CF6 Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter;

Seventh, to pay all amounts due and payable to the Swap Counterparty under the terms of the Swap Agreement other than any termination payment due to the Swap Counterparty upon termination of the Swap Agreement in circumstances where the Swap Counterparty is the Defaulting Party (as defined in the 1992 ISDA Master Agreement) but including, in any event the amount of any termination payment due and payable to the Swap Counterparty in relation to the termination of the Swap Transactions to the extent of any premium received (net of any costs reasonably incurred by the Issuer to find a replacement swap counterparty), if any, by the Issuer from a replacement swap counterparty in consideration for entering into a swap transaction with the Issuer on the same terms as the Swap Transactions;

Eighth, to pay all the fees and expenses of the Servicers pursuant to the Servicing Agreement (pro rata according to the amounts then due), to the extent not expressly included in any following item;

Ninth, to pay all amounts of interest due and payable on the Class A Notes on such Payment Date (pro rata according to the amounts then due);

Tenth, to pay all amounts of interest due and payable on the Class B Notes on such Payment Date (pro rata according to the amounts then due);

Eleventh, to pay the Originators any amount due by the Issuer as a restitution of the indemnities paid by any of the Originators to the Issuer under the terms of the Warranty and Indemnity Agreement;

Twelfth, to pay the Principal Amount Outstanding on the Class A Notes on such Payment Date (pro rata according to the amounts then due) provided that the Available Class A Notes Redemption Funds with respect to the Payment Dates falling before December 2007 shall be paid into the Principal Accumulation Account and will become payable to the Class A Noteholders on the Payment Date falling on December 2007 (pro rata according to the amounts then due);

Thirteenth, after the Class A Notes have been redeemed in full, to pay the Principal Amount Outstanding on the Class B Notes on such Payment Date (pro rata according to the amounts then due) provided that the Available Class B Notes Redemption Funds with respect to the Payment Dates falling before December 2007 shall be paid into the Principal Accumulation Account and will become payable to the Class B Noteholders on the Payment Date falling on December 2007 (pro rata according to the amounts then due);

Fourteenth, to pay pari passu and pro rata, according to the amounts then due, all amounts of interest due and payable on the Advances made by the Liquidity Providers;

Fifteenth to pay any termination payment due and payable to the Swap Counterparty under the terms of the Swap Agreement upon termination of the Relevant Swap Transaction in circumstances where the Swap Counterparty is the Defaulting Party other than the payments referred to under item *Seventh* above;

Sixteenth, to pay to each of the Originators the Interest Accruals with respect to the relevant Portfolio (pro rata according to the amounts then due);

Seventeenth, to pay to the Originators any amount due and payable in respect of purchase price adjustments due in relation to their respective Claims not listed under the Transfer Agreement but matching the criteria listed in the Transfer Agreement and any amount due and payable by the Issuer pursuant to the Warranty and Indemnity Agreement (save for amounts due and payable as restitution of indemnities paid by the Originators under the Warranty and Indemnity Agreement referred under item *Eleventh* above);

Eighteenth, to pay to the Servicers, *pari passu* and *pro rata* according to the amounts then due and payable, as restitution of the insurance price and relevant expenses advanced by the Servicer under the Servicing Agreement;

Nineteenth, to pay the Single Series Class C Notes Interest Payment Amount due and payable on each series of Class C Notes (*pari passu* and *pro rata* to the extent of the respective amounts thereof);

Twentieth, from (and including) the Payment Date on which the Senior Notes are repaid in full, to repay any amounts of principal due and payable to the Limited Recourse Loan Providers under the Limited Recourse Loan Agreement (*pari passu* and *pro rata* according to the amounts then due);

Twenty-first, following full redemption of the Senior Notes, to redeem the Principal Amount Outstanding of each series of Class C Notes in the maximum amount of the relevant Single Series Available Class C Notes Redemption Funds (*pari passu* and *pro rata* to the extent of the respective amounts thereof) provided that the Single Series Available Class C Notes Redemption Funds with respect to the Payment Dates falling before December 2007 and to each series of Class C Notes shall be paid into the Principal Accumulation Account and shall become payable to the Class C Noteholders on the Payment Date falling on December 2007 (*pari passu* and *pro rata* to the extent of the respective amounts thereof);

Twenty-second, to pay any surplus to the Originators.

4.6 *Cross Collateral Order Of Priority*

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

First, (*pari passu* and *pro rata* to the extent of the respective amounts thereof), to pay (i) all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Issuer or to maintain it in good standing or to comply with the applicable legislation and regulations; (ii) all costs and taxes required to be paid in connection with the registration and deposit of the Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents; (iii) 50% (fifty percent.) of all costs, taxes and expenses required to be paid in order to preserve the corporate existence of the Irish Company or to maintain it in good standing or to comply with the applicable legislation and regulations until the CF6 Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter; and (iv) 50% (fifty percent.) of all costs and taxes required to be paid to maintain the rating of the Investor Notes and in connection with the registration and deposit of the Investor Notes, or any notice to be given to the noteholders or the other parties to the documentation of the Irish Transaction until the CF6 Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter; each of the above to the extent not met by utilising the amount standing to the credit of the Expenses Account;

Second, to pay (*pari passu* and *pro rata* to the extent of the respective amounts thereof) (i) (a) the fees, expenses and all other amounts due to the Representative of Noteholders and the Security Trustee (b) 50% (fifty percent.) of the fees, expenses and all other amounts due to the Investor Notes trustee until the CF6 Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter; and (ii) upon payment in full of the amounts due to the Representative of the Noteholders, the Security Trustee and the Investor Notes trustee under paragraph (i), (*pari passu* and *pro rata* to the extent of the respective amounts thereof) all amount of interest due and payable to the relevant Limited Recourse Loan Provider pursuant to the Limited Recourse Loan Agreement;

Third, to repay the Advances (if any) made under the Liquidity Agreement by any Liquidity Provider (*pro rata* according to the amounts then due);

Fourth, to pay into the Expenses Account the amount (if any) necessary to ensure that the balance standing to the credit of the Expenses Account as at such Payment Date is equal to the Retention Amount;

Fifth, (*pari passu* and *pro rata* to the extent of the respective amounts thereof), to pay (i) the fees, expenses and all other amounts due to the Cash Manager, the Computation Agent, the Agent Bank, the Operating Bank, the Transaction Bank, the English Transaction Bank, the Paying Agents, the Corporate Services Provider and the Stichting Corporate Services Provider, and (ii) 50% (fifty percent.) of the fees, expenses and all other amounts due to the Rating Agencies, the Investor Notes principal paying agent, the Investor Notes agent bank, the Investor Notes custodian, the Luxemburg paying agent and the Irish Company administrator appointed under the Irish Transaction until the CF6 Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter;

Sixth, to pay all amounts due and payable to the Swap Counterparty under the terms of the Swap Agreement other than any termination payment due to the Swap Counterparty upon termination of the Swap Agreement in circumstances where the Swap Counterparty is the Defaulting Party (as defined in the 1992 ISDA Master Agreement) but including, in any event the amount of any termination payment due and payable to the Swap Counterparty in relation

to the termination of the Swap Transactions to the extent of any premium received (net of any costs reasonably incurred by the Issuer to find a replacement swap counterparty), if any, by the Issuer from a replacement swap counterparty in consideration for entering into a swap transaction with the Issuer on the same terms as the Swap Transactions;

Seventh, to pay the fees and expenses of the Servicers pursuant to the Servicing Agreement pro rata according to the amounts then due (to the extent not expressly provided in any following item);

Eighth, to pay all amounts of interest due and payable on the Class A Notes on such Payment Date (pro rata according to the amounts then due);

Ninth, on any Payment Date with respect to which a Class B Notes Subordination Event has not occurred, to pay all amounts of interest due and payable on the Class B Notes on such Payment Date (*pro rata* according to the amounts then due);

Tenth, to pay to the Originators any amount due by the Issuer as a restitution of the indemnities paid by any of the Originators to the Issuer under the terms of the Warranty and Indemnity Agreement;

Eleventh, to pay (*pro rata* and *pari passu* to the extent of the respective amounts thereof) the Class A Notes Principal Payment Amount then due with respect to such Payment Date and the Class A Notes Principal Payment Amount due with respect to previous Payment Dates but unpaid, *provided that* on the Payment Dates falling before December 2007 the amount which would be payable to the Class A Noteholders according to the foregoing will be paid into the Principal Accumulation Account and will become payable to the Class A Noteholders on the Payment Date falling on December 2007 (*pro rata* according to the amounts then due);

Twelfth, (i) on any Payment Date on which a Class B Notes Subordination Event has occurred to pay all amounts of interest due and payable on the Class B Notes on such Payment Date (pro rata according to the amounts then due); (ii) after payment of the amounts due under item (i) if a Class B Notes Disequilibrium has occurred, after the Class A Notes have been redeemed in full, to pay (*pro rata* and *pari passu* to the extent of the respective amounts thereof) the Class B Notes Principal Payment Amount with respect to such Payment Date and the Class B Notes Principal Payment Amount due with respect to previous Payment Dates but unpaid; provided that on the Payment Dates falling before December 2007, the amount which would be payable to the Class B Noteholders according to the foregoing will be paid into the Principal Accumulation Account and will become payable to the Class B Noteholders on the Payment Date falling on December 2007 (*pro rata* according to the amounts then due);

Thirteenth, to pay *pari passu* and *pro rata*, all amounts of interest due and payable on the Advances made to the Issuer by the Liquidity Providers;

Fourteenth, to pay any termination payment due and payable to the Swap Counterparty under the terms of the Swap Agreement upon termination of the Relevant Swap Transactions in circumstances where the Swap Counterparty is the Defaulting Party other than the payments referred to under item *Sixth* above;

Fifteenth, on any Payment Date with respect to which a Detrimental Event has occurred, to pay the Reserve Amount Quota into the Reserve Account;

Sixteenth, to pay to each of the Originators the Interest Accruals with respect to the relevant Portfolio (pro rata according to the amounts then due);

Seventeenth, to pay to the Originators any amount due and payable in respect of purchase price adjustments due in relation to their respective Claims, not listed under the relevant Transfer Agreement but matching the criteria listed in the Transfer Agreement, and any amount due and payable by the Issuer pursuant to the Warranty and Indemnity Agreement (save for amounts due and payable as a restitution of indemnities paid by the Originator of such Portfolio, referred to under item *Tenth* above);

Eighteenth, to pay to the Servicers, *pari passu* and *pro rata*, according to the amounts then due and payable as restitution of the insurance price and relevant expenses advanced by the Servicers under the Servicing Agreement;

Nineteenth, to pay the Single Series Class C Notes Interest Payment Amount due and payable on each series of Class C Notes, in each case to the extent such interest is due and payable on such Payment Date (*pari passu* and *pro rata* to the extent of the respective amounts thereof);

Twentieth, from (and including) the Payment Date on which the Senior Notes are repaid in full, to repay any amounts of principal due and payable to the Limited Recourse Loan Providers under the Limited Recourse Loan Agreements (*pari passu* and *pro rata* according to the amounts then due);

Twenty-first, following full redemption of the Senior Notes, to redeem the Principal Amount Outstanding of the relevant series of Class C Notes in the maximum amount of the relevant Single Series Available Class C Notes Redemption Funds, provided that on the Payment Dates falling before December 2007, the amount which would be payable in redemption of each series of Class C Notes according to the foregoing shall be paid into the Principal Accumulation Account and shall become payable to the Class C Noteholders of such Series of Class C Notes on the Payment Date falling on December 2007 (in no order of priority inter se but *pro rata* to the extent of the respective amounts thereof);

Twenty-second, after full and final settlement of all the payments due under this Order of Priority and full redemption of all the Notes, to pay any surplus remaining on the balance of the relevant Transitory Collections and Recoveries Account, Single Portfolio Reserve Account and Principal Amortisation Reserve Account and the relevant Outstanding Notes Ratio of any surplus remaining on the balance of the Payments Account, the Collections and Recoveries Account, Principal Accumulation Account, Reserve Account and Expenses Account to each relevant Originator.

A Class B Notes Subordination Event shall occur when the Default Ratio is equal to or higher than 12.35%.

5. **INTEREST**

5.1 ***Payment Dates and Interest Periods***

Each of the Senior Notes bears interest on its Principal Amount Outstanding from (and including) the Issue Date at a rate equal to Three Month EURIBOR (see below), (or in the case of the Initial Interest Period, the linear interpolation between the Euribor for six month and seven month deposits in Euro) plus a margin.

Save as provided for in Condition 5.8 (Unpaid Interest), interest in respect of the Senior Notes is payable quarterly in arrears on each Payment Date in Euro.

Interest in respect of each series of the Class C Notes is payable quarterly in arrears on each Payment Date in Euro in an amount equal to the relevant Single Series Class C Notes Interest Payment Amount as determined by the Computation Agent on the relevant Calculation Date.

Interest in respect of any Interest Period or any other period will be calculated on the basis of the actual number of days elapsed and a 360 day year, provided that to the purpose of calculating Interests accrued on the Senior Notes on each Interest Period the actual number of days elapsed in the Corresponding Irish Company Interest Period shall be counted.

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 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 from time to time applicable to the Notes until the monies in respect thereof have been received by the Principal Paying Agent on behalf of the relevant Noteholders and notice to that effect is given by the Issuer in accordance with Condition 13 (*Notices*).

5.2 ***Interest Rate***

The rate of interest applicable from time to time in respect of each Class of Senior Notes ("**Interest Rate**") will be determined by the Agent Bank on the relevant Interest Determination Date.

There shall be no maximum or minimum Interest Rate. The Interest Rate applicable to each Class of Senior Notes for each Interest Period shall be the aggregate of:

5.2.1 the Relevant Margin (as defined below); and

5.2.2 (A) EURIBOR for three month deposits in Euro calculated as the arithmetic mean of the offered quotations to leading banks (rounded to three decimal places with the mid-point rounded up) for three month Euro deposits in the Euro-zone inter-bank market which appear on Page Euribor01 of Reuters Screen (or, in the case of the first Interest Determination Date only, the linear interpolation between the Screen Rate for Euribor for six month and seven month Euro deposits (the "**Additional Screen Rate**") or (i) such other page as may replace Page Euribor01 on that service for the purpose of displaying such information or, (ii) if that service ceases to display such information, such page displaying such information on such equivalent service (or, if more than one, that one which is approved in writing by the Representative of the Noteholders to replace the Reuters Page) (the "**Screen Rate**"), at or about 11.00 a.m. (Milan time) on the relevant Interest Determination Date; or

(B) if the Screen Rate (or, in the case of the first Interest Determination Date only, the Additional Screen Rate) is unavailable at such time for three month Euro deposits, then the rate for the relevant Interest Period shall be the arithmetic mean (rounded to three decimal places with the mid-point rounded up) of the rates notified to the Agent Bank at its request by each of the Reference Banks (as defined in Condition 5.7 hereof) as the rate at which three month Euro deposits (or, in the case of the first Interest Determination Date only, the linear interpolation between the Screen Rate for six month and seven month Euro deposits) in a 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. (Milan time) on the relevant Interest Determination Date. If, on any such Interest Determination Date, only two of the Reference Banks provide such quotations to the Agent Bank, the rate for the relevant Interest Period shall be determined, as aforesaid, on the basis of the offered quotations of those Reference Banks providing such quotations. If, on any such Interest Determination Date, only one or none of the Reference Banks provides the Agent Bank with such quotation, the Agent Bank shall forthwith consult with the Representative of the Noteholders and the Issuer for the purpose of agreeing one additional bank (or, where none of the Reference Banks provides such a quotation, two additional banks) to provide such a

quotation or quotations to the Agent Bank (which bank or banks is or are in the opinion of the Representative of the Noteholders suitable for such purpose) and the rate for the relevant Interest Period shall be determined, as aforesaid, on the basis of the offered quotations of such banks (or, as the case may be, the offered quotations of such bank and the relevant Reference Bank). If no such bank (or banks) is (or are) so agreed or such bank (or banks) as agreed does not (or do not) provide such a quotation (or quotations), then the rate for the relevant Interest Period shall be the rate in effect for the last preceding Interest Period to which sub-paragraph (A) of this Condition 5.2.2 shall have applied (the "**Three Month EURIBOR**").

Provided that, for the purpose of calculating the Additional Screen Rate, the linear interpolation based on the actual number of days elapsed between the Issue Date and 12 December 2006 shall be considered.

For the purpose of these Conditions the "**Relevant Margin**" shall be:

0.16% per annum in respect of the Class A Notes; and

0.46% per annum in respect of the Class B Notes.

5.3 ***Determination of the Interest Rate, Calculation of the Interest Amount and Single Series Class C Notes Interest Payment Amount***

5.3.1 The Agent Bank shall, on each Interest Determination Date:

(i) determine the Interest Rate applicable to the Interest Period beginning after such Interest Determination Date (or in the case of the Initial Interest Period, beginning on and including the Issue Date); and

(ii) calculate the Euro amount (the "**Interest Amount**") payable on each Class of Senior Notes in respect of such Interest Period. The Interest Amount payable in respect of any Interest Period shall be calculated by applying the relevant Interest Rate to the Principal Amount Outstanding of the each Class of Senior Notes on the Payment Date at the commencement of such Interest Period (after deducting therefrom any payment of principal due on that Payment Date) or, in the case of the Initial Interest Period, on the Issue Date, and by multiplying the product of such calculation by the actual number of days elapsed in the Corresponding Irish Company Interest Period divided by 360, and rounding the resultant figure to the nearest cent (half a cent being rounded up).

5.3.2 The Computation Agent shall on each Calculation Date determine with respect to each Series of Class C Notes, the Single Series Class C Notes Interest Payment Amount (if any) applicable on the Payment Date following such Calculation Date.

5.4 ***Publication of the Interest Rate and the Interest Amount***

The Agent Bank will cause the Interest Rate and the Interest Amount applicable to each Interest Period and the Payment Date in respect of such Interest Amount, to be notified promptly after their determination to the Issuer, the Representative of the Noteholders, the Computation Agent, the Servicers, the Transaction Bank, the English Transaction Bank, Monte Titoli, Euroclear, Clearstream, the Italian Paying Agent, the Security Trustee and will cause the same to be published in accordance with Condition 13 (Notices) hereof 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.

5.5 ***Determination and Calculation by the Representative of the Noteholders***

If the Agent Bank does not at any time for any reason determine the Interest Rate and/or does not calculate the Interest Amount, or the Computation Agent does not determine the Single Series Class C Notes Interest Payment Amount, in accordance with Condition 5.3 above, the Representative of the Noteholders shall:

5.5.1 determine the Interest Rate at such rate as (having regard to the procedure described in Condition 5.2 above) it shall consider fair and reasonable in all circumstances; and/or (as the case may be),

(1) calculate the Interest Amount in the manner specified in Condition 5.3 above;

(2) calculate the Single Series Class C Notes Interest Payment Amount;

and any such determination and/or calculation shall be deemed to have been made by the Agent Bank and/or the Computation Agent as applicable.

5.6 ***Notification to be final***

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 5, whether by the Reference Banks (or any of them), the Agent Bank, the Computation Agent, the Issuer or the Representative of the Noteholders shall (in the absence of wilful default (*dolo*) or gross negligence (*colpa grave*) be binding on the Reference Banks, the Agent Bank, the Computation Agent, the Issuer, the Representative of the Noteholders and all the Noteholders and (in such absence as aforesaid) no liability to the Noteholders shall attach to the Reference Banks, the Agent Bank, 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 discretions hereunder.

5.7 ***Reference Banks and Agent Bank***

The Issuer shall ensure that, so long as any of the Notes remains outstanding, there shall at all times be three Reference banks (the "**Reference Banks**") and the Agent Bank. The initial Reference Banks shall be Banca Intesa S.p.A., SANPAOLO Imi S.p.A. and Banca di Roma S.p.A.. In the event of any such bank is unable or unwilling to continue to act as a Reference Bank or that any of the merge with another 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. The Issuer shall insure that at all times an Agent Bank is appointed. If a new Agent Bank is appointed, a notice will be published in accordance with Condition 13 (Notices).

5.8 ***Unpaid Interest***

Without prejudice to Condition 2.1, in the event that the Single Portfolio Available Funds or the Issuer Available Funds available to the Issuer on any Payment Date (in accordance with the Pre-Acceleration Order of Priority the Cross Collateral Order of Priority or the Acceleration Order of Priority, as applicable), for the payment of interest due on the Senior Notes and /or the Single Series Class C Notes Interest Amount on such Payment Date are not sufficient to satisfy in full the aggregate amount of such interest, the amount by which the aggregate amount of interest paid on such Payment Date falls short of the aggregate amount of interest which would otherwise be due shall accrue interest with respect to each Interest Period during which it remains outstanding at the Interest Rate and shall be aggregated with

the amount of, and treated for the purposes of these Conditions as if it were, interest due on the Senior Notes and /or the Class C Notes on the immediately following Payment Date.

The Issuer shall arrange for notice to be given forthwith by the Agent Bank to the Representative of the Noteholders, the Paying Agents and the Computation Agent and will cause notice to that effect to be given to the Noteholders in accordance with Condition 13 (Notices), no later than three Business Days prior to any Payment Date, of any Payment Date on which, pursuant to this Condition 5.8, interest on the Notes will not be paid in full.

6. REDEMPTION, PURCHASE AND CANCELLATION

6.1 *Final Redemption*

Unless previously redeemed in full as provided for in this Condition 6, the Issuer shall redeem in whole the Notes at their Principal Amount Outstanding on the Final Maturity Date.

The Issuer may not redeem the Senior Notes in whole or in part prior to the Final Maturity Date except as provided for in Conditions 6.2, 6.3, 6.4 or 6.5 below, but without prejudice to Condition 9 (Trigger Events).

If any Class of Notes cannot be redeemed in full on the Final Maturity Date, as a result of the Issuer having insufficient Issuer Available Funds for application in or towards such redemption, any amount outstanding whether in respect of interest, principal or other amounts in relation to the Notes shall be finally and definitely cancelled.

6.2 *Redemption for Taxation*

A) If the Issuer has provided the Representative of the Noteholders with: (i) a legal opinion in form and substance satisfactory to the Representative of the Noteholders from a firm of lawyers (approved in writing by the Representative of the Noteholders); and (ii) a certificate from the legal representative of the Issuer, to the effect that the Issuer:

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

(ii) has become liable to *imposta sul reddito delle società (IRES)* or to *imposta regionale sulle attività produttive (IRAP)* with respect to income arising from any of the Portfolios or the Swap Agreement; and/or

B) if under the CF6 Securitisation, pursuant to condition 6.2 (Redemption for Taxation) of the terms and conditions of the CF6 Notes, (i) CF6 give a written notice to the Representative of the Noteholders, the Servicers and the Noteholders and (ii) the class A CF6 Noteholders representing at least 75% of the principal amount outstanding of the class A CF6 Notes or, after full redemption of the class A CF6 Notes, the class B CF6 Notes holders representing at least 75% of the principal amount outstanding of the class B CF6 Notes, have instructed CF6 to redeem the CF6 Notes (in whole but not in part), and/or

C) if under the Irish Transaction, pursuant to condition 6.2 (Redemption for Taxation) of the terms and conditions of the Investor Notes, (i) the Irish Company gives a written notice to the Investor Notes trustee and to the holders of the Investor Notes in accordance with condition

11 of the terms and conditions of the Investor Notes and (ii) the class A Investor Notes holders representing at least 75% of the principal amount outstanding of the class A Investor Notes or, after full redemption of the class A Investor Notes, the class B Investor Notes holders representing at least 75% of the principal amount outstanding of the class B Investor Notes, have instructed the Irish Company to redeem the Investor Notes (in whole but not in part),

and in each case, the Issuer will have the necessary funds (not subject to the interests of any other person) to discharge all of its outstanding liabilities with respect of the relevant Class of Notes and any amounts required under the Intercreditor Agreement to be paid in priority to, or *pari passu* with, each Notes,

the Issuer may under A) and must under B) and C) above, on the first Payment Date on which such necessary funds become available to it, redeem the Senior Notes (in whole but not in part) at their Principal Amount Outstanding together with all accrued but unpaid interest thereon up to and including the relevant Payment Date and on such Payment Date the Acceleration Order of Priority will become applicable, provided that prior to such Payment Date (a) the Issuer shall have given prior written notice to the Representative of the Noteholders, to the Servicers and to the Noteholders in accordance with Condition 13 (Notices), and (b) Class A Noteholders representing at least 75% of the Principal Amount Outstanding of the Class A Notes or, after full redemption of the Class A Notes, Class B Noteholders representing at least 75% of the Principal Amount Outstanding of the Class B Notes, shall have instructed the Issuer to redeem the Notes (in whole but not in part).

The Issuer shall promptly give notice of such instructions to the representative of the holders of the CF6 Notes and to the Investor Notes trustee.

Upon redemption of the Senior Notes in accordance with this Condition 6.2 the Issuer shall apply any Issuer Available Funds which may be applied for this purpose in accordance with the Acceleration Order of Priority to the redemption of the Class C Notes.

6.3 ***Mandatory Redemption***

The Senior Notes will be subject to mandatory redemption in full or in part:

A. on the Payment Date falling on December 2007 and on each Payment Date falling thereafter, in a maximum amount equal to the Principal Payment Amount with respect to such Payment Date,

B. on any Payment Date: (i) following the delivery of a Trigger Notice pursuant to Condition 9.1; (ii) in the case of Redemption for Taxation pursuant to Condition 6.2; or (iii) in the case of the Issuer exercising the Optional Redemption pursuant to Condition 6.4, at their Principal Amount Outstanding,

if, on each Calculation Date preceding such Payment Date, it is determined that the Single Portfolio Available Funds or Issuer Available Funds will be sufficient and may be applied for this purpose in accordance with the Pre-Acceleration Order of Priority, the Cross Collateral Order of Priority or the Acceleration Order of Priority, as applicable.

Each series of the Class C Notes will be subject to mandatory redemption in full or in part, on any Payment Date, at their Principal Amount Outstanding, in a maximum amount equal to the relevant Single Series Class C Available Redemption Funds if, on the Calculation Date preceding such Payment Date, it is determined that there will be sufficient Single Portfolio Available Redemption Funds or Issuer Available Funds which may be applied for this purpose in accordance with the Pre-Acceleration Order of Priority, the Cross Collateral Order of Priority or the Acceleration Order of Priority, as applicable.

6.4 ***Optional Redemption***

The Issuer may redeem the Notes in whole (but not in part) at their respective Principal Amount Outstanding, together with interest accrued and unpaid up to the date fixed for redemption, on any Payment Date falling after the Payment Date on December 2007, if at the preceding Calculation Date the aggregate principal outstanding amount of the Portfolios is equal to or less than 10% of the lesser of (i) the aggregate principal outstanding amount of the Portfolios as of the Effective Date and (ii) the Purchase Price (each such Payment Date, the "**Clean Up Option Date**").

Such optional redemption shall be effected by the Issuer giving not more than forty-five (45) nor less than fifteen (15) days' prior written notice to the Representative of the Noteholders and to the Senior Noteholders in accordance with Condition 13 (*Notices*) and provided that the Issuer, prior to giving such notice to the Representative of the Noteholders, has produced evidence reasonably acceptable to the Representative of the Noteholders that it will have the necessary funds, not subject to interests of any other Person, to discharge all its outstanding liabilities in respect of the Senior Notes and any amounts required under the Intercreditor Agreement to be paid in priority to or *pari passu* with each Class of Senior Notes.

6.5 ***Sale of the Portfolios***

In the following circumstances:

- (i) in case of Redemption for Taxation pursuant to Condition 6.2;
- (ii) in case of Optional Redemption pursuant to Condition 6.4;
- (iii) after a Trigger Notice has been served on the Issuer (with a copy to the Servicers) pursuant to Condition 9, if a number of Class A Noteholders representing at least 75% of the Principal Amount Outstanding of the Class A Notes or, after full redemption of the Class A Notes, a number of Class B Noteholders representing at least 75% of the Principal Amount Outstanding of the Class B Notes, or, after full redemption of the Senior Notes, a number of Class C Noteholders representing at least 75% of the Principal Amount Outstanding of the Class C Notes resolve to request to the Issuer to sell all (but not only part) of the Claims to third parties,

the Issuer is authorised, with the assistance of the Computation Agent and the Representative of the Noteholders, to search for potential purchasers for all (but not only some) of the Portfolios.

In addition, following the delivery of a Trigger Notice, the Representative of the Noteholders shall be entitled to sell the Portfolios.

In case of the sale of the Portfolio to a transferee that does not have a current rating assigned by S&P or that has a current rating in the non investment-grade category, the following documents shall be provided to S&P within the date on which the transfer becomes effective:

- (i) good standing certificate of the transferee (issued from the relevant) Chamber of Commerce showing that is not, and has not been in the past five years, subject to any insolvency or reorganization proceedings, and (ii) certificate from the appropriate bankruptcy court confirming that no insolvency petitions have been filed against the transferee in the past five years, and (iii) solvency certificate signed by the managing director ("*amministratore delegato o unico*") or the finance director ("*direttore finanziario*") of the transferee.

Should a sale of the Portfolios take place, the proceeds of such sale shall be treated by the Issuer as the Issuer Available Funds and as from the immediately subsequent Payment Date,

shall be applied for payments due to be made by the Issuer in accordance with the Acceleration Order of Priority.

Pursuant to the Intercreditor Agreement the Class C Noteholders undertook that following the sale of the Portfolios pursuant to Clause 2.4(vii) of such agreement, they shall reach an agreement for the distribution of the revenues of such sale, available in relation to payments under items Twenty-first and Twenty-second of the Acceleration Order of Priority, in proportion to its participation to the Transaction and to the Outstanding Principal of the Defaulted Claims of each Portfolio as at the date on which the sale of the Portfolios pursuant to Clause 2.4(vii) of such agreement take place.

Each series of the Class C Notes will be subject to mandatory redemption in full or in part, on any Payment Date, at their Principal Amount Outstanding, in a maximum amount equal to the relevant Single Series Class C Available Redemption Funds if, on the Calculation Date preceding such Payment Date, it is determined that there will be sufficient Single Portfolio Available Redemption Funds or Issuer Available Funds which may be applied for this purpose in accordance with the Pre-Acceleration Order of Priority, the Cross Collateral Order of Priority or the Acceleration Order of Priority, as applicable.

6.6 *Notice of Redemption*

Any such notice as is referred to in Conditions 6.2 and 6.4 above shall be irrevocable and, upon the expiration of such notice, the Issuer shall be obliged to redeem the Notes in accordance with this Condition 6.

6.7 *Principal Payments Available Redemption Funds and Principal Amount Outstanding*

On each Calculation Date the Issuer shall determine or procure that the Computation Agent determines, *inter alia*, (on the Issuer's behalf):

- (a) the amount of the Available Redemption Funds with respect to the following Payment Date (if any);
- (b) the amount of any principal payment payable on the Senior Notes and the Class C Notes on the following Payment Date and, for the Payment Dates prior to December 2007 the amounts of principal to be retained in each of the Principal Accumulation Accounts; and
- (c) the Principal Amount Outstanding of each Class of Notes on the following Payment Date (after deducting any principal payment due to be made on the Notes on that Payment Date).
- (d) with respect to each Series of Class C Notes, the amount of the relevant Single Series Class C Notes Interest Payment Amount;
- (e) with respect to each Portfolio: (i) the amount of the relevant Single Portfolio Amortised Principal and Single Portfolio Available Funds (if any); and (ii) the amount of the relevant Single Portfolio Class A Notes Principal Amount Outstanding, Single Portfolio Class B Notes Principal Amount Outstanding, Single Portfolio Class A Notes Principal Payment Amount, Single Portfolio Class B Notes Principal Payment Amount and Single Portfolio Notes Principal Amount Outstanding;
- (f) the amount of the Principal Amortisation Reserve Amounts, Reserve Amount, Reserve Amount Quotas or Single Portfolio Reserve Amounts (if any) and the Senior Costs;

- (g) all payments due to be done by the Issuer on the immediately following Payment Date and at least 3 (three) Business Days prior to each Payment Date, deliver to the Representative of the Noteholders, the Servicers, the Operating Bank, the Transaction Bank, the English Transaction Bank, the Principal Paying Agent, the Italian Paying Agent, the Swap Counterparty, the Investor Notes agent bank and the Irish Company a payment report setting out all such payments in the form which shall be agreed by the Parties (the “**Payment Report**”).

Each determination by or on behalf of the Issuer of Available Redemption Funds, the Principal Payment on each Note, the Principal Amount Outstanding of each Note and on each Class of Notes shall in each case (in the absence of wilful default, gross negligence, bad faith or manifest error) be final and binding on all persons.

The Issuer shall, no later than four Business Days prior to each Payment Date, cause each determination of a principal payment (if any) and Principal Amount Outstanding of the Notes to be notified forthwith by the Computation Agent to the Representative of the Noteholders, the Servicers, the Transaction Bank, the English Transaction Bank, Euroclear, Clearstream, the Paying Agents and Monte Titoli and shall cause notice of each determination of a principal payment and Principal Amount Outstanding of each Class of Notes to be given to the Noteholders in accordance with Condition 13 (*Notices*). As long as the Notes are not redeemed in full, if no principal payment is due to be made on the Notes on a Payment Date, notice to this effect shall also be given by the Issuer to the Noteholders in accordance with Condition 13 (*Notices*).

If no principal payment or Principal Amount Outstanding of the Notes is determined by or on behalf of the Issuer in accordance with the provisions of this Condition 6.7, such principal payment or Principal Amount Outstanding of the Notes shall be determined by the Computation Agent in accordance with this Condition 6.7 and each such determination shall be deemed to have been made by the Issuer.

6.8 ***No purchase by Issuer***

The Issuer shall not purchase any of the Notes.

6.9 ***Cancellation***

All Notes redeemed in full will be cancelled upon redemption and may not be re-sold or re-issued.

7. **PAYMENTS**

7.1 The Principal Paying Agent and the Italian Paying Agent shall arrange for payment of principal and interest in respect of the Notes to be made through the relevant operators of Monte Titoli, Clearstream and Euroclear to the accounts of the beneficial owners of the Notes with such operators in accordance with the rules and procedures of Monte Titoli, Clearstream and Euroclear, as the case may be.

7.2 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.

7.3 If the due date for any payment of principal and/or interest (or any later date on which any Note could otherwise be presented for payment) is not a Business Day, the Noteholders will not be entitled to payment of the relevant amount until the immediately following Business Day. The Noteholders will not be entitled to any interest or other payment in consequence of any delay in receiving the amount due as a result of the due date not being a Business Day.

The Issuer will cause at least 30 days prior notice to be given of any change in or addition to the Paying Agents or their registered offices in accordance with Condition 13 (*Notices*).

8. TAXATION

All payments with respect to the Notes will be made without withholding or deduction for or on account of any present or future taxes, duties or charges of whatever kind other than a Law 239 Deduction or any other withholding or deduction required to be made by any applicable law. Neither the Issuer nor any other Person shall be obliged to pay any additional amount to any Noteholder as a consequence of any such withholding or deduction.

9. TRIGGER EVENTS

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

(a) *Non-payment*

(i) having enough Single Portfolio Available Funds or Issuer Available Funds available to it to make such payment in accordance with the Pre-Acceleration Order of Priority, the Cross Collateral Order of Priority or the Acceleration Order of Priority as applicable, the Issuer defaults in the payment of the amount of principal then due and payable on the Senior Notes for a period of five Business Days from the due date thereof;

(ii) irrespective of whether there are Single Portfolio Available Funds or Issuer Available Funds available to it sufficient to make such payment in accordance with the Pre-Acceleration Order of Priority, the Cross Collateral Order of Priority or the Acceleration Order of Priority as applicable, the Issuer defaults in the payment of the amount of interest then due and payable on the Most Senior Class of Senior Notes for a period of three Business Days from the due date thereof; or

(b) *Breach of other obligations*

the Issuer defaults in the performance or observance of any of its obligations under or in respect of the Notes or any of the Transaction Documents to which it is a party (other than any obligation for the payment of principal or interest on the Notes) and such default remains unremedied for thirty days after the Representative of the Noteholders has given written notice thereof to the Issuer, certifying that such default is, in the opinion of the Representative of the Noteholders, materially prejudicial to the interests of the Noteholders and requiring the same to be remedied; or

(c) *Insolvency etc.*

(a) an administrator, administrative receiver or liquidator of the Issuer or of the whole or any substantial part of the undertakings, assets and/or revenues of the Issuer is appointed or the Issuer becomes subject to any bankruptcy, liquidation, administration, insolvency, composition, reorganisation or similar proceedings or application is made for the commencement of any such proceedings or an encumbrancer takes possession of the whole or any substantial part of the undertakings, revenues and/or assets of the Issuer;

(b) proceedings are initiated against the Issuer under any applicable bankruptcy, liquidation, administration, insolvency, composition, reorganisation or similar laws and such proceedings are not, in the opinion of the Representative of the Noteholders, being disputed in good faith;

(c) the Issuer takes any action for a readjustment or deferment of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors or is granted by a competent court a moratorium in respect of its indebtedness or any guarantee of its indebtedness given by it or applies for bankruptcy or suspension of payments; or

(d) *Winding up etc.*

an order is made or an effective resolution is passed for the winding up, liquidation or dissolution of the Issuer except a winding up for the purposes of or pursuant to an amalgamation or reconstruction, the terms of which have been previously approved in writing by the Representative of the Noteholders or by an extraordinary resolution of the Noteholders pursuant to the Rules of the Organisation of the Noteholders; or

(e) *Unlawfulness*

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

(f) *Trigger notice under the CF6 Securitisation and the Irish Transaction*

A trigger notice has been delivered under the CF6 Securitisation (by the CF6 Notes representative of the noteholders), and/or a default notice has been delivered under the Irish Transaction (by the Investor Notes trustee)

then the Representative of the Noteholders shall, if so requested in writing by the holders of at least 25% of the aggregate Principal Amount Outstanding of the Senior Notes, give a written notice (a "**Trigger Notice**") to the Issuer (with copy to each of the Servicers) declaring that the Notes have immediately become due and payable at their Principal Amount Outstanding, together with accrued interest, and that the Acceleration Order of Priority shall apply. Notwithstanding the foregoing, if a Trigger Event under (f) occurs, then the Representative of the Noteholders shall in any case deliver a Trigger Notice to the Issuer (with a copy to each of the Servicers). Following the delivery of a Trigger Notice, without any further action or formality, on the immediately following Payment Date, and on each Payment Date thereafter, all payments of principal, interest and other amounts due with respect to the Notes shall be made in accordance with the Acceleration Order of Priority.

10. **CROSS COLLATERAL EVENTS**

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

(a) *Disequilibrium Event*

- (i) with respect to four successive Payment Dates, a Class A Disequilibrium Event occurs; or
- (ii) with respect to eight successive Payment Dates, a Class B Disequilibrium Event occurs;

(b) *Default Ratio*

The Default Ratio, as at any Collection Date, is higher than the ratio of 0.0475; or

(c) Liquidity Agreement

On any Payment Date (i) the aggregate of the Single Portfolio Negative Balances or (ii) the Negative Balance (as applicable) with respect to such Payment Date is equal to or exceeds the Available Commitment Amount (including any amount that will be reimbursed to the Liquidity Provider on such Payment Date) to the Issuer on such Payment Date under the terms of the Liquidity Agreement;

then the Representative of the Noteholders, upon having received a notice thereof from the Computation Agent shall serve a written notice (a "**Cross Collateral Notice**") to the Issuer (with a copy to each Servicer) and from the immediately following Payment Date the Acceleration Order of Priority shall apply without any further action or formality.

11. ENFORCEMENT

At any time after the delivery of a Trigger Notice, the Representative of the Noteholders may, at its discretion and without further 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 interest accrued thereon, but it shall not be bound to take any such steps and/or institute any such proceedings unless:

11.1 it shall have been so requested in writing by the holders of at least 25% of the aggregate Principal Amount Outstanding of the Senior Notes or unless it shall have been so directed by a resolution of the Class A Noteholders or upon the redemption in full of the Class A Notes, the Class B Noteholders or, upon the redemption in full of the Class B Notes, the Class C Noteholders; and

11.2 it shall have been fully indemnified as to costs, damages and expenses to its satisfaction.

No Noteholder shall be entitled to proceed directly against the Issuer unless the Representative of the Noteholders, having become bound to do so, fails to do so within a reasonable period of time and such failure is continuing.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of Condition 9 above or this Condition 11, by the Representative of the Noteholders shall (in the absence of wilful default, gross negligence, bad faith or manifest error) be binding on the Issuer and all Noteholders and (in such absence as aforesaid) the Representative of the Noteholders will have no liability to the Noteholders or the Issuer in connection with the exercise or the non-exercise by it or any of them of their powers, duties and discretion hereunder.

12. THE REPRESENTATIVE OF THE NOTEHOLDERS

12.1 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.

12.2 Pursuant to the Rules of the Organisation of the Noteholders (attached hereto as Exhibit 1), for as long as any Note is outstanding, there shall at all times be a Representative of the Noteholders.

12.3 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 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

is appointed at the time of issue of the Notes pursuant to the Subscription Agreements. Each Noteholder is deemed to accept such appointment.

- 12.4 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 107 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.
- 12.5 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 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.

13. NOTICES

So long as the Notes are held by Monte Titoli on behalf of the authorised financial intermediaries and/or their customers, notices to the Noteholders may be given through the systems of Monte Titoli.

The Representative of the Noteholders may sanction some other method of giving notice to the Noteholders of the relevant Class if, in its opinion, such other method is reasonable having regard to market practices then prevailing and to the rules of the stock exchange on which the Notes of the relevant Class are listed and provided that notice of such other method is given to the Noteholders of the relevant Class in such manner as the Representative of the Noteholders shall require.

14. PRESCRIPTION

Claims against the Issuer for payments in respect of the Notes shall be void unless made within ten (10) years (in the case of principal) or five (5) years (in the case of interest) from the Relevant Date in respect thereof.

15. GOVERNING LAW AND JURISDICTION

- 15.1 The Notes are governed by Italian law.
- 15.2 All the Transaction Documents are governed by Italian law, with the exception of the Deed of Charge and the Swap Agreement which are governed by English law and the Cash Administration and Agency Agreement which is governed partially by Italian law and partially by English law and the Stichting Corporate Services Agreement which is governed by Dutch Law.

15.3 The Courts of Rome shall have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Notes.

SELECTED ASPECTS OF IRISH LAW

The following is a summary only of certain aspects of Irish law that are relevant to the transactions described in this Offering Circular 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 Offering Circular.

1. Examinership

Examinership is a court procedure available under the Irish Companies (Amendment) Act 1990, as amended (the "**1990 Act**") to facilitate the survival of Irish companies in financial difficulties. The Investor Note Issuer, the directors of the Investor Note Issuer, a contingent, prospective or actual creditor of the Investor Note Issuer, or shareholders of the Investor Note Issuer holding, at the date of presentation of the petition, not less than one-tenth of the voting share capital of the Investor Note Issuer are each entitled to petition the court for the appointment of an examiner. The examiner, once appointed, has the power to set aside contracts and arrangements entered into by the company after this appointment and, in certain circumstances, can avoid a negative pledge given by the company prior to this appointment. Furthermore, the examiner may sell assets, the subject of a fixed charge. However, if such power is exercised the examiner must account to the holders of the fixed charge for the amount realised and discharge the amount due to the holders of the fixed charge out of the proceeds of the sale.

During the period of protection, the examiner will compile proposals for a compromise or scheme or arrangement to assist the survival of the company or the whole or any part of its undertaking as a going concern. A scheme of arrangement may be approved by the Irish High Court when at least one class of creditors has voted in favour of the proposals and the Irish High Court is satisfied that such proposals are fair and equitable in relation to any class of members or creditors who have not accepted the proposals and whose interests would be impaired by implementation of the scheme of arrangement.

In considering proposals by the examiner, it is likely that secured and unsecured creditors would form separate classes of creditors. In the case of the Investor Note Issuer, if the Investor Note Trustee represented the majority in number and value of claims within the secured creditor class (which would be likely given the restrictions agreed to by the Investor Note Issuer in the Investor Note Conditions), the Investor Note Trustee would be in a position to reject any proposal not in favour of the Noteholders. The Investor Note Trustee would also be entitled to argue at the Irish High Court hearing at which the proposed scheme of arrangement is considered that the proposals are unfair and inequitable in relation to the Noteholders, especially if such proposals included a writing down to the value of amounts due by the Investor Note Issuer to the Noteholders. The primary risks to the holders of Investor Notes if an examiner were appointed to the Investor Note Issuer are as follows:

- (i) the potential for a scheme of arrangement being approved involving the writing down of the debt due by the Investor Note Issuer to the Noteholders as secured by the Investor Note Trust Deed;
- (ii) the potential for the examiner to seek to set aside any negative pledge in the Investor Notes prohibiting the creation of security of the incurring of borrowings by the Investor Note Issuer to enable the examiner to borrow to fund the Investor Note Issuer during the protection period; and

in the event that a scheme of arrangement is not approved and the Investor Note Issuer subsequently goes into liquidation, the examiner's remuneration and expenses (including certain borrowings incurred by the examiner on behalf of the Investor Note Issuer and approved by the Irish High Court) will take priority over the monies and liabilities which from time to time are or may become due,

owing or payable by the Investor Note Issuer to each of the Investor Note Secured Creditors under the Investor Notes or the Investor Note Transaction Documents.

2. Preferred Creditors under Irish Law and Fixed Security

Under Irish law, upon an insolvency of an Irish company such as the Investor Note Issuer, when applying the proceeds of assets subject to fixed security which may have been realised in the course of a liquidation or receivership, the claims of a limited category of preferential creditors will take priority over the claims of creditors holding the relevant fixed security. These preferred claims include the remuneration, costs and expenses properly incurred by any examiner of the company (which may include any borrowings made by an examiner to fund the company's requirements for the duration of his appointment) which have been approved by the Irish courts. (See "**Examinership**" above.)

The holder of a fixed security over the book debts of an Irish tax resident company (which would include the Investor Note Issuer) may be required by the Irish Revenue Commissioners, by notice in writing from the Irish Revenue Commissioners, to pay to them sums equivalent to those which the holder received in payment of debts due to it by the company. Where the holder of the security has given notice to the Irish Revenue Commissioners of the creation of the security within 21 days of its creation, the holder's liability is limited to the amount of certain outstanding Irish tax liabilities of the company (including liabilities in respect of value added tax) arising after the issuance of the Irish Revenue Commissioners' notice to the holder of fixed security.

The Irish Revenue Commissioners may also attach any debt due to an Irish tax resident company by another person in order to discharge any liabilities of the company in respect of outstanding tax whether the liabilities are due on its own account or as an agent or trustee. The scope of this right of the Irish Revenue Commissioners has not yet been considered by the Irish courts and it may override the rights of holders of security (whether fixed or floating) over the debt in question.

In relation to the disposal of assets of any Irish tax resident company which are subject to security, a person entitled to the benefit of the security may be liable for tax in relation to any capital gains made by the company on a disposal of those assets on exercise of the security.

It is of the essence of a fixed charge that the person creating the charge does not have liberty to deal with the assets which are the subject matter of the security in the sense of disposing of such assets or expending or appropriating the monies or claims constituting such assets and accordingly, if and to the extent that such liberty is given to the Investor Note Issuer, any charge constituted by the Investor Note Trust Deed may operate as a floating, rather than a fixed, charge. In particular, the Irish courts have held that in order to create a fixed charge on receivables it is necessary to oblige the chargor to pay the proceeds of collection of the receivables into a designated bank account and to prohibit the chargor from withdrawing or otherwise dealing with the monies standing to the credit of such account without the consent of the chargee. Depending upon the level of control actually exercised by the chargor, there is therefore a possibility that the fixed security over the Investor Note Issuer's Accounts and other assets comprising the Investor Note Collateral would be regarded by the Irish courts as a floating charge. Floating charges have certain weaknesses, including the following:

- (i) they have weak priority against purchasers (who are not on notice of any negative pledge contained in the floating charge) and the chargees of the assets concerned and against lien holders, execution creditors and creditors with rights of set-off;
- (ii) as discussed above, they rank after certain preferential creditors, such as claims of employees and certain taxes on winding-up;
- (iii) they rank after certain insolvency remuneration expenses and liabilities;

- (iv) the examiner of a company has certain rights to deal with the property covered by the floating charge; and
- (v) they rank after fixed charges.

SELECTED ASPECTS OF ITALIAN LAW

The following is a summary only of certain aspects of Italian law that are relevant to the transactions described in this Offering Circular 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 Offering Circular.

1. The Securitisation Law

Law 130 was enacted on 30 April 1999 and was conceived to simplify the securitisation process and to facilitate the increased use of securitisation as a financing technique in the Republic of Italy.

It applies to securitisation transactions involving the "true" sale (by way of non-gratuitous assignment) of receivables, where the sale is to a company created in accordance with Article 3 of Law 130 and all amounts paid by the assigned debtors are to be used by the relevant company exclusively to meet its obligations under the notes issued to fund the purchase of such receivables and all costs and expenses associated with the securitisation transaction.

2. The Assignment

The assignment of the receivables under Law 130 is governed by Article 58, paragraphs 2, 3 and 4, of the Consolidated Banking Act and by Article 4 of Law 130. According to the prevailing interpretation of such provisions, the assignment can be perfected against the originator, assigned debtors and third party creditors by way of publication in the Official Gazette, so avoiding the need for notification to be served on each assigned debtor. Upon the enactment of the Legislative Decree 6 February 2004, No. 37, a further requirement is to be complied with, which is the registration of the assignment by the assignee in the relevant register of companies where the assignee is enrolled. Furthermore, the Bank of Italy could require further formalities.

As a result, as of the date of publication of the notice in the Official Gazette and registration of the assignment in the register of companies where the assignee is enrolled, the assignment becomes enforceable against:

- (i) the assigned debtors and any creditors of the originator who have not prior to the date of publication of the notice 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 receivables;
- (ii) 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 Italian Royal Decree No. 267 of 16 March 1942 (*Disciplina del fallimento, del concordato preventivo, dell'amministrazione controllata e della liquidazione coatta amministrativa*) (the "**Bankruptcy Law**")); and
- (iii) other permitted assignees of the originator who have not perfected their assignment prior to the date of publication 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 receivables will automatically be transferred to and perfected with the same priority in favour of the company which has purchased the receivables, 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 receivables assigned or the sums derived therefrom other than for the purposes of enforcing the rights of the holders of the notes issued for the purpose of financing the acquisition of the relevant receivables and to meet the costs of the transaction.

Notice of the assignment of the receivables pursuant to the Intermediate Note Transfer Agreements will be published in the Official Gazette within 10 Business Days from the Signing Date and the registration of the assignment in the register of companies where the Intermediate Note Issuer is enrolled will be made within 10 Business Days from the signing date.

3. Ring-Fencing of the Assets

By operation of Law 130, the receivables relating to each securitisation transaction will, by operation of law, be segregated for all purposes from all other assets of the company which purchases the receivables (including for the avoidance of doubt, any other portfolio purchased by the company pursuant to Law 130). On a winding up of such a company, such assets will only be available to holders of the notes issued to finance the acquisition of the relevant receivables and to certain creditors claiming payment of debts incurred by the company in connection with the securitisation of the relevant assets. In addition, the assets relating to a particular transaction will not be available to the holders of notes issued to finance any other securitisation transaction or to general creditors of the issuer company. However, under Italian law, any creditor of the Intermediate Note Issuer would be able to commence insolvency or winding up proceedings against the company in respect of any unpaid debt.

4. Claw-back of the Sale of the Portfolios

The sale of the Portfolios by the Originators to the Intermediate Note Issuer may be clawed back by a receiver of the Originator under Article 67, paragraphs 1(4) and 2 of the Bankruptcy Law but only in the event that the Originator was insolvent when the assignment was entered into and was executed within three months of the admission of the Originator to compulsory liquidation (*liquidazione coatta amministrativa*) pursuant to Title IV, Heading I, Section III of the Consolidated Banking Act or in cases where paragraph 1(1), 1(2) and 1(3) of Article 67 applies, within six months of the admission to compulsory liquidation. Under the Intermediate Note Warranty and Indemnity Agreement, the Originator has represented and warranted that it was solvent as of the Transfer Date and on the Investor Note Issue Date.

5. Claw-back Action Against the Payments Made to Companies Incorporated under Law 130

According to Article 4 of Law 130, the payments made by an assigned debtor to the Intermediate Note Issuer may not be subject to any claw-back action according to Article 67 of the Bankruptcy Law.

All other payments made to the Intermediate Note Issuer by any party under a Transaction Document in the six months or one year suspected period prior to the date on which such party has been declared bankrupt or has been admitted to the compulsory liquidation may be subject to claw-back action according to Article 67 of the Bankruptcy Law. Pursuant to Article 67, paragraph 1, of the Bankruptcy Law, the relevant payments will be set aside and clawed back unless the recipient of the payments gives evidence that it had no knowledge of the state of insolvency when the payments were made; pursuant to Article 67, paragraph 2, the relevant payments will be set aside and clawed back if the receiver gives evidence that the recipient of the payments had knowledge of the state of insolvency when the payments were made. It is however to be stressed that the length of the above mentioned suspected period has been provided by Law No. 80/2005, which has changed Article 67 of the Bankruptcy Law previously providing a longer suspected period of, respectively, one or two years.

The question as to whether or not the Intermediate Note Issuer had actual or constructive knowledge of the state of insolvency at the time of the payment is a question of fact with respect to which a court may in its discretion consider all relevant circumstances.

6. Ineffectiveness of Prepayments by Borrowers

Pursuant to Article 65 of the Bankruptcy Law, in the event that a Borrower is declared bankrupt, any payment made by the Borrower during the two-year 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 relevant Mortgage Loan contracts) are ineffective vis-à-vis the Intermediate Note Issuer.

7. Mutui Fondiari

In addition to the general legislation commonly applicable to mortgage lending, mortgage loans which qualify as *mutui fondiari* are regulated by specific legislation which provides for a number of rights in favour of the mortgage lender that are not provided for by general legislation.

Agreements relating to *mutui fondiari* executed before 1 January 1994 are regulated by the Italian legislation on Credito fondiario in force prior to that date, which permitted only credit institutions having special license to grant *mutui fondiari*. All other credit institutions were not permitted to conduct mortgage lending business. As of 1 January 1994, under the new legislative framework under the Consolidated Banking Act, all banks having a general banking license became qualified to enter into *mutui fondiari* agreements. The new legislation applies only to *mutui fondiari* agreements executed, and foreclosure proceedings commenced, on or after 1 January 1994.

8. Foreclosure Proceedings

A creditor, to introduce a foreclosure proceeding, must have a *titolo esecutivo* which pursuant to the Italian law can be constituted by a court order or injunction for payment in the form of an enforcement order from the court or even by a notary deed.

The mortgage lender can notify to the debtor the mortgage loan agreement in the form of notary deed (which constitutes a *titolo esecutivo*) with the order for the execution thereof (*formula esecutiva*) (without the need to obtain an enforcement order from the court) together with the writ of execution (*atto di precetto*).

Not earlier than ten days but before ninety days from the notification to the debtor of the writ of execution together with the *titolo esecutivo*, the mortgage lender may request the attachment (*atto di pignoramento*) of the mortgaged property (which is an injunction from a process server (*ufficiale giudiziario*) preventing the debtor from reducing the guarantee of the creditor).

Following the notification of the attachment the process server obtains from the appropriate land registry (*Conservatoria dei Registri Immobiliari*) receipt of the registration of the attachment in the land register (*nota di trascrizione*).

Within ten days from the notification of the attachment, the writ of execution together with the *titolo esecutivo* and the *nota di trascrizione* are deposited in the court whose jurisdiction the mortgaged property is located for the formation of the file of the foreclosure.

At the request of the mortgage lender, the court appoints a custodian to manage the mortgaged property in the interest of the mortgage lender. If the mortgage lender does not make such a request, the debtor automatically becomes the custodian of such property.

Not earlier ten days but not later than ninety days from the notification of the attachment, the mortgage lender submits to the court the motion for the sale of the mortgaged property. The court may delay its decision in respect of the mortgage lender's request in order to hear any challenge by the debtor to the attachment.

Technical delays may be caused by the need to enclose to the mortgage lender's motion copies of the relevant mortgage and cadastral (i.e. land registry) certificates (*certificati catastali*), which usually takes some time to obtain. Law No. 302 should reduce the duration of the foreclosure proceedings by allowing the mortgage lender to substitute such cadastral certificates with certificates obtained from public notaries and by allowing public notaries to conduct various activities which were before exclusively within the powers of the courts.

If the court decides to proceed with an auction (*vendita con incanto*) of the mortgaged property, it usually appoints an expert to value the property and then orders the sale by auction. The court determines on the basis of the expert's appraisal the minimum bid price for the property at the auction.

If an auction fails to result in the sale of the property, the court will arrange a new auction with a lower minimum bid price. The courts have discretion to decide whether, and to what extent, the bid price should be reduced (the maximum permitted reduction being one-fifth of the minimum bid price of the previous auction). In practice, the courts tend to apply the one-fifth reduction. In the event that no offer is made during an auction, the mortgage lender may apply to the court for a direct assignment of the mortgaged property to the mortgage lender itself. In practice, however, the courts tend to hold auctions until the mortgaged property is sold.

The sale proceeds, after deduction of the expenses of the foreclosure proceedings, INVIM (a tax payable by the debtor in respect of any increase in the value of the mortgaged property during the time it was owned by him until 31 December 1992 but which has been abolished with effect from 1 January 2003) and any expenses for the deregistration of the mortgages, will be applied in satisfaction of the claims of the mortgage lender in priority to the claims of any other creditor of the debtor (except for the claims for taxes due in relation to the mortgaged property and for which the collector of taxes participates in the foreclosure proceedings).

Upon payment in full of the purchase price by the purchaser within the specified time period, title to the property will be transferred after the court issues an official decree ordering the transfer. In the event that proceedings have been commenced by creditors other than the mortgage lender, the mortgage lender will have priority over such other creditors in having recourse to the assets of the borrower during such proceedings, such recourse being limited to the value of the mortgaged property.

Pursuant to Law No. 302 public notaries are allowed to conduct stages of the sale of the mortgaged property; Law No. 80/2005 extends such activity to lawyers, certified accountants and fiscal experts enrolled in special registers.

The average length of foreclosure proceedings 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 and Law No. 80/2005 have been passed with the aim of reducing the duration of foreclosure proceedings.

9. The Impact of Law No. 302 and Law No. 80/2005

Law No. 302 amending the Italian Civil Procedure Code has introduced certain rules according to which some of the activities to be carried out in a foreclosure procedure may be entrusted to a notary public duly registered with the relevant register of a court. In particular, if requested by a creditor, the

notary public may issue a notarial certificate attesting the results of the searches with the "catasto" and with the appropriate land registry (*Conservatoria dei Registri Immobiliari*). Such notarial certificate replaces several documents which are usually required to be attached to the motion for the auction and reduces the timing normally required to obtain the documentation from the relevant public offices. Moreover, if appointed by the foreclosure judge, the notary public may execute the sale by auction by (a) determining the value of the property; (b) deciding on the offers received after the auction and concerning the payment of the relevant price; (c) initiating further auctions or transfer; (d) executing certain formal documents relating to the registration and filing with the land registry of the transfer decree prepared by the same notary public and issued by the foreclosure judge; and (e) preparing the proceeds' distribution plan and forwarding the same to the foreclosure judge.

With regard to the above, the involvement of a notary public or of the other professionals by the foreclosure judge is permitted when (a) the foreclosure judge has not yet decided on the motion for an auction; (b) a sale without auction has not been performed successfully and the foreclosure judge - after consultation with the creditors - decides to proceed with an auction; and (c) a possible receivership has ceased and the foreclosure judge decides to proceed with a sale by auction. On the other hand, the involvement of a notary public or of the other professionals does not seem to be possible both when a decree providing for the sale without auction has already been issued and when an auction before the foreclosure judge has already been fixed. If the auction is concluded without a sale, it is possible that the foreclosure judge may delegate the power to execute further auctions to the notary public.

10. Mutui Fondiari Foreclosure Proceedings

The Mortgage Loans comprised in the Portfolios are *mutui fondiari* or *mutui ipotecari*. Foreclosure proceedings in respect of *mutui fondiari* commenced after 1 January 1994 are currently regulated by Article 38 and the Consolidated Banking Act in which several exceptions to the rules applying to foreclosure proceedings in general are provided for. In particular, there is no requirement to serve a copy of the loan agreement directly on the borrower and the mortgage lender of *mutui fondiari* is entitled to commence or continue foreclosure proceedings after the debtor is declared insolvent or insolvency proceedings have been commenced.

Moreover, the custodian appointed to manage the mortgaged property in the interests of the *fondario* lender pays directly to the lender the revenues recovered on the mortgaged property (net of administration expenses and taxes). After the sale of the mortgaged property, the court orders the purchaser (or the assignee in the case of an assignment) to pay that part of the price corresponding to the *mutui fondiari* lender's debt directly to the lender.

Pursuant to Article 58 of the Consolidated Banking Act, as amended by Article 12 of Decree No. 342, the Issuer will be entitled to benefit from such procedural advantages which apply in favour of a lender of a *mutuo fondario* loan.

Foreclosure proceedings for *mutui fondiari* commenced on or before 31 December 1993 are regulated by the Royal Decree No. 646 of 16 July 1905, which confers on the *mutuo fondario* lender rights and privileges that are not provided for by the Consolidated Banking Act with respect to foreclosure proceedings on *mutui fondiari* commenced on or after 1 January 1994. Such additional rights and privileges include the right of the bank to commence foreclosure proceedings against the borrower even after the real estate has been sold to a third party who has taken the place of the borrower as debtor under the *mutuo fondario* provided that the name of such third party has not been notified to the lender. Further rights include the right of the bank to apply for the real estate to be valued by the court after commencement of foreclosure proceedings, at the value indicated in the *mutuo fondario* agreement without having to have a further expert appraisal.

11. Priority of Interest Claims

Pursuant to Article 2855 of the Italian Civil Code, the claims of a mortgage lender in respect of interest may be satisfied in priority to the claims of all other unsecured creditors in an amount equal to the aggregate of (i) the interest accrued at the contractual rate in the calendar year in which the initial stage of the foreclosure proceedings are taken and in the two preceding calendar years; and (ii) the interest accrued at the legal rate (currently three % (3%)) from the end of the calendar year in which the initial stage of the foreclosure proceeding is commenced to the date on which the mortgaged property is sold. Any amount recovered in excess of this will be applied to satisfy the claims of any other creditor participating in the foreclosure proceedings. The mortgage lender will be entitled to participate in the distribution of any such excess as an unsecured creditor. The balance, if any, will then be paid to the debtor.

TAXATION

The following is a general summary of current law and practice relating to certain tax considerations concerning the purchase, ownership and disposition of the Investor Notes. It does not purport to be a complete analysis of all tax considerations that may be relevant to your decision to purchase, own or dispose of the Investor Notes and does not purport to deal with the tax consequences applicable to all categories of prospective beneficial owners of the Investor Notes or the Intermediate Notes. The following summary does not discuss the treatment of the Investor 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.

1. GENERAL

This summary is based upon tax laws and practice in effect on the date of this Offering Circular and are subject to potential retroactive change.

Prospective purchasers of Investor Notes 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 Investor Notes and receiving payments of interest, principal and/or other amounts under the Investor 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 Irish, Italian or other tax consequences of the subscription, purchase, ownership and disposition of the Investor Notes in these circumstances, including the effect of any state, local or foreign tax laws.

2. TAXATION IN IRELAND

The following is a summary of certain Irish tax consequences of the purchase, ownership and disposition of the Investor Notes. The summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a decision to purchase, own or dispose of the Investor Notes. The summary relates only to the position of persons who are the absolute beneficial owners of the Investor Notes and may not apply to certain other classes of persons such as dealers in securities.

The summary is based upon Irish tax laws and the practice of the Irish Revenue Commissioners as in effect on the date of this Offering Circular, which are subject to prospective or retroactive change. Prospective investors in the Investor Notes should consult their own advisors as to the Irish or other tax consequences of the purchase, beneficial ownership and disposition of the Investor Notes including, in particular, the effect of any state or local tax laws.

2.1 Income Tax

In general, persons who are resident in Ireland are liable to Irish taxation on their world-wide income whereas persons who are not resident in Ireland are only liable to Irish taxation on their Irish source income. All persons are under a statutory obligation to account for Irish tax on a self-assessment basis and there is no requirement for the Irish Revenue Commissioners to issue or raise an assessment.

A note issued by the Investor Note Issuer may be regarded as property situate in Ireland (and hence Irish source income) on the grounds that a bearer security is deemed to be situate where it is physically located or a debt is deemed to be situate where the debtor resides. However, the interest earned on such notes is exempt from income tax if paid to a person who for the purposes of Section 198 of the Taxes Consolidation Act 1997 ("**TCA 1997**") is regarded as being a resident of a relevant territory. A relevant territory for this purpose is a member state of the European Communities (other than Ireland) or not being such a member states a territory with which Ireland has entered into a

double tax treaty. A list of the countries with which Ireland has entered into a double tax treaty is available on www.revenue.ie.

If the above exemption does not apply it is understood that there is a long standing unpublished practice whereby no action will be taken to pursue any liability to such Irish tax in respect of persons who are regarded as not being resident in Ireland except where such persons:

- (i) are chargeable in the name of a person (including a trustee) or in the name of an agent or branch in Ireland having the management or control of the interest; or
- (ii) seek to claim relief and/or repayment of tax deducted at source in respect of taxed income from Irish sources; or
- (iii) are chargeable to Irish corporation tax on the income of an Irish branch or agency or to income tax on the profits of a trade carried on in Ireland to which the interest is attributable.

There can be no assurance that this practice will continue to apply.

2.2 Withholding Taxes

In general, withholding tax at the rate of 20 % must be deducted from interest payments made by an Irish company. However, Section 246 TCA 1997 ("**Section 246**") provides that this general obligation to withhold tax does not apply in respect of, inter alia, interest payments made by the Issuer to a person, who by virtue of the law of the relevant territory, is resident for the purposes of tax in a relevant territory (see above for details). This exemption does not apply if the interest is paid to a company in connection with a trade or business which is carried on in Ireland by the company through a branch or agency.

Apart from Section 246, Section 64 TCA 1997 ("**Section 64**") provides for the payment of interest on a "**Quoted Eurobond**" without deduction of tax in certain circumstances. A Quoted Eurobond is defined in Section 64 as a security which:

- (i) is issued by a company;
- (ii) is quoted on a recognised stock exchange (this term is not defined but is understood to mean an exchange which is recognised in the country in which it is established); and
- (iii) carries a right to interest.

There is no obligation to withhold tax on Quoted Eurobonds where:

- (i) the person by or through whom the payment is made is not in Ireland, or
- (ii) the payment is made by or through a person in Ireland, and
- (iii) the Quoted Eurobond is held in a recognised clearing system (Euroclear, Clearstream, Frankfurt and Clearstream, Luxembourg have been designated as recognised clearing systems); or
- (iv) the person who is the beneficial owner of the Quoted Eurobond and who is beneficially entitled to the interest is not resident in Ireland and has made an appropriate written declaration to this effect.

In certain circumstances, Irish encashment tax may be required to be withheld at the standard rate (currently 20 per cent) from interest on any Quoted Eurobond, where such interest is collected by a person in Ireland on behalf of any holder of Investor Notes.

2.3 Capital Gains Tax

A Noteholder will not be subject to Irish taxes on capital gains provided that such Noteholder is neither resident nor ordinarily resident in Ireland and such Noteholder does not have an enterprise, or an interest in an enterprise, which carries on business in Ireland through a branch or agency or a permanent representative to which or to whom the Investor Notes are attributable.

2.4 Capital Acquisitions Tax

If the Investor Notes are comprised in a gift or inheritance taken from an Irish domiciled, resident or ordinarily resident disponer or if the donee/successor is resident or ordinarily resident in Ireland, or if any of the Investor Notes are regarded as property situate in Ireland, the donee/successor may be liable to Irish capital acquisitions tax. As a result, a donee/successor may be liable to Irish capital acquisitions tax, even though neither the disponer nor the donee/successor may be domiciled, resident or ordinarily resident in Ireland at the relevant time.

2.5 Stamp duty

For as long as the Issuer is a qualifying company within the meaning of Section 110 TCA 1997, no Irish stamp duty will be payable on either the issue or transfer of the Investor Notes, provided that the money raised by the issue of the Investor Notes is used in the course of the Issuer's business.

3. TAXATION IN THE REPUBLIC OF ITALY

Pursuant to Law No. 80 of April 7, 2003 ("**Law No. 80**"), the Italian Government was empowered to implement widespread tax reforms by issuing, within two years from the entering into force of Law No. 80, on May 3, 2003, of legislative decrees providing for, *inter alia*, a general reform of the tax treatment of financial income and of the taxation of corporations and individuals, that could have impacted on the tax regime of the Intermediate Notes. Through the enactment of the Legislative Decree No. 344 of December 12, 2003 ("**Decree No. 344**") as currently applicable, the Italian Government introduced a reform of the taxation of corporations and other amendments affecting the taxation of financial income. Decree No. 344 has also a direct impact on the tax regime applicable to financial income, but the greater part of the expected tax reform affecting financial income earned by resident individuals and non-residents was not enacted in due time under the terms provided by Law No. 80.

The recently appointed Italian Government has announced a variety of possible future amendments of the current tax regime applicable to financial income. The details of such amendments have not yet been disclosed, but from recent political debates it would appear that one of the proposed amendments may broadly affect the rate of source withholding tax on financial income, possibly including also the rate of substitute tax currently applicable on the Intermediate Notes.

3.1 Income Tax

Under the current legislation, pursuant to the combined provision of Article 1, paragraph 2 and Article 2 of Legislative Decree No. 239 of 1 April 1996, as amended and restated ("**Law 239**"), payments of interest and other proceeds in respect of the Intermediate Notes:

- (i) will be subject to *imposta sostitutiva* at the rate of 12.5 % in the Republic of Italy if made to beneficial owners who are: (i) individuals resident in the Republic of Italy for tax purposes; (ii) Italian resident non-commercial partnerships; (iii) Italian resident public and private entities, other than companies, not carrying out commercial activities as their exclusive or principal purpose (including the Italian State and public entities); (iv) Italian resident entities exempt from corporate income tax; and (v) non-Italian resident entities or persons without a permanent establishment in Italy to which the Intermediate Notes are effectively connected,

which are not eligible for the exemption from the *imposta sostitutiva* and/or do not timely comply with the requirements set forth in Law 239 and the relevant application rules in order to benefit from the exemption from *imposta sostitutiva*. As to non-Italian resident beneficial owners, *imposta sostitutiva* may be reduced under double taxation treaties entered into by Italy, where applicable.

The 12.5 % final *imposta sostitutiva* will be applied by the Italian resident or non-resident qualified financial intermediaries that will intervene, in any way, in the collection of interest and other proceeds on the Intermediate Notes or in the transfer of the Intermediate Notes;

- (ii) will not be subject to the *imposta sostitutiva* at the rate of 12.5 % if made to persons qualifying as beneficial owners, who are: (i) Italian resident corporations, commercial partnerships or permanent establishments in Italy of non resident corporations to which the Intermediate Notes are effectively connected; (ii) Italian resident collective investment funds, SICAVs, Italian resident pension funds referred to in Legislative Decree No. 124 of 21 April 1993 and Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of February 24, 1998 and Article 14-*bis* of law No. 86 of January 1, 1994; (iii) Italian resident individuals who have entrusted the management of their financial assets, including the Intermediate Notes, to an Italian authorised financial intermediary and have opted for the so-called *risparmio gestito regime* according to Article 7 of Legislative Decree No. 461 of 21 November 1997 - the "**Asset Management Option**" and (iv) to non-Italian resident beneficial owners of the Intermediate Notes with no permanent establishment in Italy to which the Intermediate Notes are effectively connected, *provided that*:
 - (a) they are (i) resident of a country which allows an adequate exchange of information with Italy or, in the case of qualifying institutional investors not subject to tax, they are established in such a country, (ii) supranational entities set up in accordance with an international treaty executed by Italy, or (iii) central banks of foreign countries, or other entities also managing the official reserves of such countries;
 - (b) in general the debt securities are deposited directly or indirectly: (i) with a bank or an Italian securities dealing firm ("**SIM**") resident in Italy; (ii) with the Italian permanent establishment of a non-resident bank or brokerage company which is electronically connected with the Italian Ministry of Economy and Finance; or (iii) with a non-resident entity or company which has an account with a centralised clearance and settlement system (such as Euroclear or Clearstream Luxembourg) which has a direct relationship with the Italian Ministry of Economy and Finance;
 - (c) as for recipients characterizing under category (a)(i) above, the banks or brokers mentioned in (b) above receive a self-declaration from the beneficial owner of the interest which states that the beneficial owner is a resident of that country. The self-declaration, which must be in conformity with the model approved by the Ministry of Economy and Finance (approved with Decree of the Ministry of Economy and Finance 12 December 2001, published on the Ordinary Supplement No. 287 to the Official Journal No. 301 of 29 December 2001) and its further amendments is valid until revoked by the investor and does not have to be filed if an equivalent self-declaration (including Form 116/IMP) has already been submitted to the same intermediary for the same or different purposes; in the case of institutional investors not subject to tax, the institutional investor shall be regarded as the beneficial owner and the relevant self-declaration shall be produced by the management company; and
 - (d) the banks or brokers mentioned in (b) and (c) above receive all necessary information to identify the non-resident beneficial owner of the deposited debt securities, and all necessary information in order to determine the amount of interest that such beneficial owner is entitled to receive.

Non-resident holders are subject to the 12.5% substitute tax on interest and other proceeds on Intermediate Notes if any of the above conditions (a), (b), (c) and (d) are not satisfied.

- (iii) For the purpose of (i) and (ii) above, the Italian tax legislative framework does not include a definition of beneficial ownership. Reference must hence be sought in the brief comments on this subject issued from time to time by the Italian Tax Authorities within the guidelines issued to the local offices, some of which are hereafter referred to: (a) in Circular Letter no. 306 of 23 December 1996 the Revenue Agency expanded on the beneficial ownership requirement by referring to the OECD Double Tax Treaty Commentary negative definition of beneficial ownership, which excludes interposed persons, such as agents and nominees; (b) in Ministerial Resolution no. 104/E-VII-14-1582 of 6 May 1997, the Tax Administration expanded on the title to tax reclaims under certain double tax treaties by confirming the title to treaty benefits of the ultimate beneficial owners of income and indicating the documentation requirements for the interposed entities to claim the benefits of the treaties on behalf of the ultimate beneficiaries or trustees; (c) at last, in Circular Letter no. 47 of 2 November 2005, commenting on the beneficial ownership requirement for the application of the benefits of the local regulations issued under EU Directive 2003/48/EC, the Revenue Agency indicated that in order for a recipient to qualify as beneficial owner it may not be an intermediary acting as an agent, delegate, or fiduciary of another party and must derive an economic benefit from the transaction.
- (iv) Irrespective of the beneficial ownership requirement, the title to the exemption as described under (ii) above may be subject to scrutiny by the Italian Tax Authorities under the general anti-abuse provision of article 37-bis of Presidential Decree no. 600 of 29 September 1973 or according to the more specific provision of article 37(3) under which the Tax Authorities could disrespect the interposition of an apparently qualifying recipient; due to the specific relevance of each fact pattern for the application of anti-abuse provisions, all prospective Noteholders should seek independent advice as to the potential exposure to anti-abuse law.

Italian resident individuals holding Intermediate Notes not in connection with an entrepreneurial activity who have opted for the Asset Management Option are subject to a 12.5% annual substitute tax (the "**Asset Management Tax**") on the increase in value of the managed assets accrued at the end of each tax year (which increase would include interest and other proceeds accrued on the Intermediate Notes). The Asset Management Tax is applied on behalf of the taxpayer by the managing authorised intermediary.

Interest and other proceeds accrued on the Intermediate Notes held by Italian resident corporations, commercial partnerships, individual entrepreneurs holding Intermediate Notes in connection with entrepreneurial activities or permanent establishments in Italy of non-resident corporations to which the Intermediate Notes are effectively connected, are included in the taxable base for the purposes of: (i) corporate income tax (*imposta sul reddito delle società*, "**IRES**") at 33 %; or (ii) individual income tax (*imposta sul reddito delle persone fisiche*, "**IRPEF**"), at progressive rates, plus local surtaxes, if applicable; under certain circumstances, such interest is included in the taxable basis of the regional tax on productive activities (*imposta regionale sulle attività produttive*, "**IRAP**"), at a rate of 4.25% (regions may vary the rate up to 1%).

Italian resident collective investment funds and SICAVs are subject to a 12.5% or, under specific conditions, to a reduced 5% annual substitute tax (the "**Collective Investment Fund Tax**") on the increase in value of the managed assets accrued at the end of each tax year (which increase would include interest and other proceeds accrued on the Intermediate Notes). The reduced rate regime is however subject to possible repeal in the near future, due to the alleged violation of the EU state aid rules, as resolved by the EU Commission on last 7 September, 2005

Since 1 January 2001, Italian resident pension funds are subject to an 11 % annual substitute tax (the "Pension Fund Tax") on the increase in value of the managed assets accrued at the end of each tax year.

The tax regime of interest in respect of the Intermediate Notes received by real estate funds depends on the funds status and the applicable legislation. Under the regime provided by Law Decree No. 351 of September 25, 2001 converted into law with amendments by Law No. 410 of November 23, 2001, payments of interest in respect of the Intermediate Notes made to Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of February 24, 1998 and Article 14-*bis* of Law No. 86 of January 1, 1994, are not subject to the 12.5 per cent substitute tax. Pursuant to Article 41-*bis* of Law No. 326 of November 24, 2003, as of January 1, 2004 a 12.5 per cent withholding tax may apply upon distribution of the profits realised by the real estate investment funds, after deduction of profits reported before January 1, 2004, if any.

Any positive difference between the nominal redeemable amount of the Intermediate Notes and their issue price is deemed to be interest for tax purposes.

Without prejudice to the above provisions, in the event that the Intermediate Notes are redeemed in full or in part prior to the end of the Initial Period, the Intermediate Note Issuers may be required to pay an additional amount equal to twenty per cent (20%) of interest and other proceeds accrued on the Intermediate Notes up to the time of the early redemption.

3.2. Capital Gains

Any capital gain realised upon the sale for consideration or redemption of Intermediate Notes would be treated for the purpose of corporate income tax and of individual income tax as part of the taxable business income of Noteholders (and, in certain cases, depending on the status of the Noteholders, may also be included in the taxable basis of the regional tax on productive activities), and therefore subject to tax in Italy according to the relevant tax provisions, if derived by Noteholders who are:

- (i) Italian resident corporations;
- (ii) Italian resident commercial partnerships;
- (iii) permanent establishments in Italy of foreign corporations to which the Intermediate Notes are effectively connected; or
- (iv) Italian resident individuals carrying out a commercial activity, as to any capital gains realised within the scope of their commercial activity.

Pursuant to Legislative Decree No. 461 of 21 November 1997, any capital gain realised by Italian resident individuals holding Intermediate Notes not in connection with an entrepreneurial activity and by certain other persons upon the sale for consideration or redemption of the Intermediate Notes would be subject to an *imposta sostitutiva* at the current rate of 12.5 % Under the tax declaration regime, which is the standard regime for taxation of capital gains realised by Italian resident individuals not engaged in an entrepreneurial activity, *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains, net of any incurred capital loss, realised by Italian resident individual noteholders holding Intermediate Notes not in connection with an entrepreneurial activity pursuant to all disposals of Intermediate Notes carried out during any given fiscal year. These individuals must report the overall amount of capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax declaration to be filed with the Italian tax authorities for such year and pay *imposta sostitutiva* on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years.

As an alternative to the tax declaration regime, Italian resident individual noteholders holding Intermediate Notes not in connection with an entrepreneurial activity may elect to pay *imposta sostitutiva* separately on the capital gains realised upon each sale or redemption of the Intermediate Notes (the "Risparmio Amministrato" regime). Such separate taxation of capital gains is allowed subject to: (i) the Intermediate Notes being deposited with Italian banks, società di intermediazione mobiliare (SIM) or certain authorised financial intermediaries; and (ii) an express election for the *Risparmio Amministrato* regime being timely made in writing by the relevant Noteholder. The financial intermediary, on the basis of the information provided by the taxpayer, accounts for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of Intermediate Notes (as well as in respect of capital gains realised at revocation of its mandate), net of any incurred capital loss, and is required to pay the relevant amount to the Italian fiscal authorities on behalf of the taxpayer, deducting a corresponding amount from proceeds to be credited to the Noteholder. Under the *Risparmio Amministrato* regime, where a sale or redemption of Intermediate Notes results in a capital loss, such loss may be deducted from capital gains subsequently realised in the same tax year or in the following tax years up to the fourth. Under the *Risparmio Amministrato* regime, the Noteholder is not required to declare capital gains in its annual tax declaration and remains anonymous.

Any capital gains realised by Italian resident individuals holding Intermediate Notes not in connection with entrepreneurial activity who have elected for the Asset Management Option will be included in the computation of the annual increase in net value of the managed assets accrued, even if not realised, at year end, subject to the Asset Management Tax to be applied on behalf of the taxpayer by the managing authorised intermediary. Under the Asset Management Option, any depreciation of the managed assets accrued at year end may be carried forward against an increase in the net value of the managed assets accrued in any of the four succeeding tax years. Under the Asset Management Option, the Noteholder is not required to report capital gains realised in its annual tax declaration and remains anonymous.

Any capital gains realised by Noteholders who are Italian resident collective investment funds and SICAVs will be included in the computation of the taxable basis of the Collective Investment Fund Tax.

Any capital gains realised by Noteholders who are Italian resident pension funds will be included in the computation of the taxable basis of Pension Fund Tax.

The tax regime of capital gains in respect of the Intermediate Notes received by real estate funds depends on the funds status and the applicable legislation. Capital gains realised by Italian real estate funds set up after 26 September 2001 on the disposal of the Intermediate Notes contribute to determine the fund net asset value increase, which is subject to a withholding tax at 12.5% upon distribution or redemption.

The 12.5 % final *imposta sostitutiva* may in certain circumstances be payable on capital gains realised upon sale for consideration or redemption of Intermediate Notes by non-Italian resident persons or entities without a permanent establishment in Italy to which the Intermediate Notes are effectively connected, if the Intermediate Notes are held in Italy.

However, pursuant to Article 23 of Presidential Decree of 22 December 1986, No. 917, any capital gains realised by non-Italian residents without a permanent establishment in Italy to which the Intermediate Notes are effectively connected, through the sale for consideration or redemption of Intermediate Notes are exempt from taxation in Italy to the extent that the Intermediate Notes are listed on a regulated market in Italy or abroad (including the Luxembourg Stock Exchange) and in certain cases subject to the filing of required documentation, even if the Intermediate Notes are held in Italy and regardless of the provisions set forth by any applicable double tax treaty.

In case the Intermediate Notes are not listed on a regulated market in Italy or abroad:

- (i) as to capital gains, non-Italian resident beneficial owners of the Intermediate Notes with no permanent establishment in Italy to which the Intermediate Notes are effectively connected are exempt from *imposta sostitutiva* in the Republic of Italy on any capital gains realised upon sale for consideration or redemption of the Intermediate Notes if they are resident, for tax purposes, in a country which recognises the Italian fiscal authorities' right to an adequate exchange of information; in this case, if non-Italian residents without a permanent establishment in Italy to which the Intermediate Notes are effectively connected are within the *Risparmio Amministrato* regime or the Asset Management Option, exemption from Italian capital gains tax will apply upon condition of a timely filing with the authorised financial intermediary of a specific self-declaration form, stating that they meet the requirements indicated above; and
- (ii) in any event, non-Italian resident beneficial owners without a permanent establishment in Italy to which the Intermediate Notes are effectively connected that may benefit from a double taxation treaty with the Republic of Italy, providing that capital gains realised upon the sale or redemption of the Intermediate Notes are to be taxed only in the country of tax residence of the recipient, will not be subject to *imposta sostitutiva* in the Republic of Italy on any capital gains realised upon sale for consideration or redemption of Investor Notes; in this case, if non-Italian residents without a permanent establishment in Italy to which the Intermediate Notes are effectively connected are within the *Risparmio Amministrato* regime or the Asset Management Option, exemption from Italian capital gains tax will apply upon the condition that they file in time with the authorised financial intermediary appropriate documents which include, *inter alia*, a statement issued by the competent tax authorities of the country of residence of the non-Italian residents.
- (iii) for the purpose of (i) and (ii) above, the same comments as in 3.1(iii) and 3.1(iv) apply in relation to the beneficial ownership requirement and the potential application of anti-abuse law.

3.3 Inheritance and Gift Taxes

Italy no longer applies inheritance and gift taxes.

However, according to Law 18 October 2001, No. 383, for donees other than spouses, direct descendants or ancestors and other relatives within the fourth degree, if and to the extent that the value of gift attributable to each such donee exceeds Euro 180,759.91, the gift of Intermediate Notes is subject to the ordinary transfer taxes provided for the transfer thereof for consideration.

3.4 Securities Transfer Tax

General

Pursuant to Italian Legislative Decree No. 435 of 21 November 1997, which amended the regime laid down by Royal Decree No. 3278 of 30 December 1923, the transfer of the Intermediate Notes may be subject to Italian transfer tax (*tassa sui contratti di borsa*) in the following cases and at the following rates:

- (i) contracts entered into directly between private parties or between the parties through entities other than authorised intermediaries (banks, SIMs or other professional intermediaries authorised to perform investment services, pursuant to the Legislative Decree No. 415 of 23 July 1996, as superseded by Legislative Decree No. 58 of 24 February 1998, or stockbrokers) are subject to a transfer tax of Euro 0.0083 for every Euro 51.65 (or a fraction thereof) of the price at which the Intermediate Notes are transferred;

- (ii) contracts between private parties through banks, SIMs or other authorised professional intermediaries or stockbrokers, or between private parties and banks, SIMs or other authorised intermediaries or stockbrokers, are subject to a transfer tax of Euro 0.00465 for every Euro 51.65 (or a fraction thereof) of the price at which the Intermediate Notes are transferred; and
- (iii) contracts between banks, SIMs or other authorised professional intermediaries or stockbrokers are subject to a transfer tax of Euro 0.00465 for every Euro 51.65 (or a fraction thereof) of the price at which the Intermediate Notes are transferred.

In the cases listed above under (ii) and (iii), however, the amount of transfer tax cannot exceed Euro 929.62 for each transaction.

Exemptions

In general, transfer tax is not levied, *inter alia*, in the following cases:

- (i) contracts relating to listed securities entered into on a regulated market (*e.g.* the Luxembourg Stock Exchange);
- (ii) contracts relating to securities which are admitted to listing on a regulated market and finalised outside such markets and entered into:
 - (a) between banks or SIMs or other professional intermediaries authorised to perform investment services, pursuant to the Legislative Decree No. 415 of 23 July 1996, as superseded by Legislative Decree No. 58 of 24 February 1998, or stockbrokers among themselves; or
 - (b) between authorised intermediaries as referred to in paragraph (a) above and non-Italian residents; or
 - (c) between authorised intermediaries as referred to in paragraph (a) above, including also non-Italian residents, and undertakings for collective investment in transferable securities;
- (iii) contracts relating to public sale offers for the admission to listing on regulated markets or relating to financial instruments already admitted to listing on said markets;
- (iv) contracts for a consideration of less than Euro 206.58; and
- (v) contracts regarding securities not listed on a regulated market entered into between authorised intermediaries as referred to in (ii) (a) above, on the one hand, and non-Italian residents, on the other hand.

4. EU DIRECTIVE ON THE TAXATION OF SAVINGS INCOME

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

certain third countries). Belgium, Luxembourg or Austria may however elect to introduce automatic exchange of information during the transitional period, in which case they will no longer apply the withholding tax.

The Council Directive was implemented in Italy with the enactment of Legislative Decree no. 84 of 18 April 2005, applicable to all payments made by Italian resident qualifying paying agents on or after July 1, 2005, and with the regulatory provisions issued by the Italian Revenue Agency ("*Agenzia delle Entrate*") on July 8, 2005. The Council Directive was implemented in Ireland by the enactment of the European Communities (Taxation of Savings Income in the form of Interest Payments) Regulations 2005 on 28 June 2005.

5. LUXEMBOURG TAXATION

Under Luxembourg legislation (law of June 21, 2005) implementing the Directive and the bilateral agreements with certain dependent or associated territories and with certain third countries introducing measures equivalent to those of the Directive (the "**Bilateral Agreements**"), interest on the Investor Notes or similar income, may be subject to withholding tax if paid by a paying agent (as defined by the Directive) located in Luxembourg to (i) an individual resident in another EU member state or in Jersey, Guernsey, the Isle of Man, the Netherlands Antilles, the British Virgin Islands, Aruba or Montserrat, or (ii) a residual entity as defined by the Directive or a Bilateral Agreement. The above amounts are subject to withholding tax to the extent they have accrued since 1st July, 2005. The rate of withholding tax is 15% during the three first years of the transitional period, increasing to 20% for the three subsequent years and to 35% thereafter until the end of the transitional period.

By a law dated December 23, 2005, effective as of January 1, 2006, Luxembourg introduced a withholding tax of 10% for interest payments made to Luxembourg individual residents by a Luxembourg paying agent (as defined by the law of June 21, 2005). For an individual holder of Notes who is resident in Luxembourg and who acts in the course of the management of his private wealth, the 10% withholding tax is a final flat tax. Interest on the Notes paid by a Luxembourg paying agent to residents in Luxembourg who are not individuals will not be subject to any withholding tax.

Luxembourg resident Noteholders are subject to income tax derived from their investment in the Investor Notes according to the Luxembourg income tax law (the law of 4th December, 1967, as subsequently amended). A holder of Investor Notes, is subject to the Grand Duchy of Luxembourg income tax in respect of the interest paid or accrued on the Investor Notes only if such holder (i) is a resident of the Grand Duchy of Luxembourg for tax purposes and the interest has not been subject to the 10% final withholding tax or (ii) has a permanent establishment or a fixed place of business in the Grand Duchy of Luxembourg, to which the Investor Notes are attributable. For Luxembourg resident individuals, capital gains realised on the Investor Notes six months or more after they were acquired are exempt from income tax.

All prospective Noteholders should seek independent advice as to their tax positions.

SUBSCRIPTION AND SALE

Pursuant to the Investor Note Subscription Agreement entered into prior to the Investor Note Issue Date between the Lead Manager and the Investor Note Issuer, the Lead Manager shall subscribe and pay the Investor Note Issuer for the Investor Notes at the Issue Price. The Investor Note Issuer will pay the Lead Manager a combined selling, management and underwriting commission to be agreed between the parties.

The Investor Note Subscription Agreement will be subject to a number of conditions and may be terminated in certain circumstances prior to the payment of the Investor Note Issue Price to the Investor Note Issuer. The Investor Note Issuer will indemnify the Lead Manager against certain liabilities in connection with the issue of the Investor Notes.

1. UNITED STATES OF AMERICA

The Investor Notes have not been and will not be registered under the Securities Act. The Investor Notes may not be offered or sold within the U.S., 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 Investor Notes may be subject to U.S. tax laws.

The Investor Note Issuer shall represent, warrant and undertake to the Lead Manager that (a) the Investor Note Issuer or any of its affiliates (as defined in Rule 501(b) of Regulation D under the Securities Act, each an "**Affiliate**") has not directly or through any agent (except the Lead Manager) sold, offered for sale, solicited offers to buy or otherwise negotiated in respect of any security (as defined in the Securities Act) which is or will be integrated with the sale of the Investor Notes in a manner that would require the registration of the Investor Notes under the Securities Act or offered, solicited offers to buy or sold the Investor Notes in any manner involving a public offering within the meaning of Section 4(2) of the Securities Act, (b) the Investor Note Issuer or any of its Affiliates or any persons acting on behalf of it has not engaged or will not engage in any directed selling efforts (within the meaning of Regulation S) with respect to the Investor Notes and (c) the Investor Note Issuer and each of its respective Affiliates and any person acting on behalf of it has complied and will comply with the offering restrictions requirement of Regulation S.

The Investor Note Issuer shall represent, warrant and undertake to the Lead Manager that the Investor Note Issuer is a "*foreign issuer*" (as defined in Regulation S) and reasonably believes that there is no "*substantial U.S. market interest*" (as defined in Regulation S) in the securities of the Investor Note Issuer of the same class as the Investor Notes and that the Investor Note Issuer is not, and after giving effect to the offering and sale of the Investor Notes and the application of the proceeds thereof as described in this Offering Circular, will not be, required to register as an "*investment company*" as such term is defined in the Investment Company Act of 1940, as amended.

The Lead Manager shall represent, warrant and undertake that it will not offer or sell any Investor Notes except in accordance with Rule 903 of Regulation S under the Securities Act and, accordingly, that neither the Lead Manager nor any Persons acting on its behalf nor any of their respective affiliates has engaged nor will engage in any directed selling efforts with respect to the Investor Notes and it and its affiliates and any Person acting on its or their behalf has complied and will comply with the offering restrictions of Regulation S.

Terms used in the paragraphs above and not otherwise defined have the meanings ascribed to them in Regulation S under the Securities Act.

2. REPUBLIC OF ITALY

The Lead Manager under the Investor Note Subscription Agreement shall acknowledge that no action has or will be taken by it which would allow an offering (or a "*sollecitazione all'investimento*") of the

Investor Notes to the public in the Republic of Italy unless it is in compliance with the relevant Italian securities, tax and other applicable laws and regulations. Individual sales of the Investor 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.

The Lead Manager under the Investor Note Subscription Agreement shall acknowledge that no application has been made by it to obtain an authorisation from *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") for the public offering of the Investor Notes in the Republic of Italy.

Accordingly, the Lead Manager shall represent and agree 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, any Investor Notes, this Offering Circular nor any other offering material relating to Investor Notes other than to professional investors ("*operatori qualificati*") as defined in Article 31, paragraph 2, of CONSOB Regulation No. 11522 of 1 July 1998, as subsequently amended and supplemented, pursuant to Article 100, paragraph 1, letter b) and Article 30, paragraph 2, of Italian Legislative Decree No. 58 of 24 February 1998 (the "**Consolidated Financial Laws Act**") and in accordance with applicable Italian laws and regulations.

Any offer of the Investor Notes to professional investors in the Republic of Italy shall be made only by banks, investment firms or financial companies enrolled in the special register provided for in Article 107 of the Legislative Decree No. 385 of 1 September 1993 (the "**Consolidated Banking Act**"), to the extent that they are duly authorised to engage in the placement and/or underwriting of financial instruments in the Republic of Italy in accordance with the relevant provisions of the Consolidated Financial Laws Act and in compliance with Article 129 of the Consolidated Banking Act.

3. IRELAND

The Lead Manager shall represent, warrant and agree under the Investor Note Subscription Agreement that:

- (i) it has not made and will not make an offer of Investor Notes to the public in Ireland prior to the publication of this Offering Circular in relation to the Investor Notes, which has been approved by the Irish Financial Services Regulatory Authority pursuant to the Prospectus (Directive 2003/71/EC) Regulations 2005 of Ireland, except in circumstances which do not require the publication by the Investor Note Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive; and
- (ii) it will not do anything in Ireland in connection with the Investor Notes which would constitute a breach of the provisions of Section 9(1), 23(1), 23(6) or 23(7) of the Irish Investment Intermediaries Act 1995 (as amended).

4. UNITED KINGDOM

The Lead Manager shall represent and agree with the Investor Note Issuer under the Investor Note Subscription Agreement, that:

- (i) financial promotion: it has only communicated or caused to be communicated and will only communicate or cause to be communicated 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 any Investor Notes in circumstances in which section 21(1) of the FSMA does not apply to the Investor Note Issuer; and

- (ii) general compliance: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any of the Investor Notes in, from or otherwise involving the United Kingdom.

5. EUROPEAN ECONOMIC AREA

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), the Lead Manager shall represent and agree with the Investor Note Issuer under the Investor Note Subscription Agreement, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**"), it has not made and will not make an offer of Investor Notes to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Investor Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Investor Notes to the public in that Relevant Member State at any time:

- (i) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- (ii) to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
- (iii) in any other circumstances which do not require the publication by the Investor Note Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "*offer of Investor Notes to the public*" in relation to any Investor 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 Investor Notes to be offered so as to enable an investor to decide to purchase or subscribe the Investor Notes, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the expression **Prospectus Directive** means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

6. FRANCE

This Offering Circular has been prepared in connection with the placement of the Investor Notes that has been approved by the *Autorité des Marchés Financiers*. The information contained in this Offering Circular is strictly confidential, and is made available on the condition that it shall not be passed on to any person nor reproduced (in whole or in part). This Offering Circular will be made available in France only to permitted investors consisting in qualified investors (*investisseurs qualifiés*) acting for their own account and/or corporate investors meeting one of the four criteria provided in Article D 341-1 of the French Code *Monétaire et Financier* and belonging to a limited circle of less than 100 investors. Permitted investors may only invest in the Investor Notes for their own account. The direct or indirect resale to the public in France of the Investor Notes acquired by any permitted investors may be made only as provided by Articles L. 411-1, L. 411-2, L. 412-1, L. 621-8 to L. 621-8-3, D. 411-1 and D. 411-2 of the French Code *Monétaire et Financier* and applicable regulations thereunder.

7. GENERAL RESTRICTIONS

The Lead Manager shall comply with all applicable laws and regulations in each jurisdiction in or which it may offer or sell Investor Notes. Furthermore, the Lead Manager will not, directly or

indirectly, offer, sell or deliver any Investor Notes or distribute or publish any prospectus, form of application, offering circular (including this Offering Circular), advertisement or other offering material in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Unless otherwise herein provided, no action will be taken to obtain permission for public offering of the Investor Notes in any country where action would be required for such purpose.

GENERAL INFORMATION

1. The Investor Note Issuer is not involved in any legal or arbitration proceedings which may have, or have had, since the date of its incorporation, a significant effect on its financial position nor is the Investor Note Issuer aware that any such proceedings being pending or threatened.
2. Since the date of its incorporation, the Investor Note Issuer has not entered into any agreement or effected any transaction other than those related to the purchase of the Intermediate Notes. The execution by the Investor Note Issuer of the Transaction Documents and the issue of the Investor Notes were authorised by a resolution of the directors which took place on 1 June 2006.
3. Save as disclosed in this Offering Circular and, save for the issue of the Investor Notes, the Investor Note Issuer has no outstanding loan capital, borrowings, indebtedness or contingent liabilities, nor has the Investor Note Issuer created any mortgages or charges or given any guarantees.
4. The Investor Note Issuer's audited financial statements relating to the period from the date of incorporation to 31 December 2006 will, once published, be available in English for collection at the registered office of the Luxembourg Paying Agent. The Investor Note Issuer prepares annual audited financial statements for financial years ending on 31 December of each year. No interim or consolidated financial statements will be produced by the Investor Note Issuer. So long as any of the Investor Notes remain listed on the Luxembourg Stock Exchange, copies of the Investor Note Issuer's annual audited non-consolidated financial statements shall be made available free of charge at the registered office of the Luxembourg Paying Agent.
5. The proceeds arising from the issue of the Investor Notes amount to Euro 1,038,450,000. The Investor Note Issuer estimates that its aggregate ongoing expenses in connection with the Transaction will be equal to Euro 40,000 (exclusive of any value added tax) per annum.
6. The Investor Notes have been accepted for clearance through Clearstream, Luxembourg and Euroclear.
7. The Investor Notes have been attributed the following ISIN numbers:

	ISIN No.	Common Code
Class A	XS0256813048	025681304
Class B	XS0256815688	025681568

8. Copies of the following documents may be inspected (and, in the case of the documents listed in (a) below, may be obtained) during usual business hours at the registered offices of the Luxembourg Paying Agent and the Investor Note Principal Paying Agent at any time after the Investor Note Issue Date:
 - (a) the memorandum and articles of association of the Investor Note Issuer;
 - (b) the Investor Note Trust Deed;
 - (c) the Investor Note Agency Agreement;

- (d) the Investor Note Account Management Agreement;
 - (e) the Investor Note Subscription Agreement;
 - (f) the Investor Note Issuer Administration Agreement;
 - (g) the Intermediate Note Offering Circulars;
 - (h) the Intermediate Note Transfer Agreements;
 - (i) the Intermediate Note Warranty and Indemnity Agreements;
 - (j) the Intermediate Note Cash Administration and Agency Agreements;
 - (k) the Intermediate Note Liquidity Agreements;
 - (l) the Intermediate Note Subscription Agreements;
 - (m) the Intermediate Note Class C Subscription Agreements;
 - (n) the Intermediate Note Swap Agreements;
 - (o) the Intermediate Note Servicing Agreements;
 - (p) the Intermediate Note Back-up Servicing Agreements;
 - (q) the Intermediate Note Deeds of Pledge;
 - (r) the Intermediate Note Deeds of Charge;
 - (s) the Intermediate Note Corporate Services Agreements;
 - (t) the Intermediate Note Stichting Corporate Services Agreements;
 - (u) the Intermediate Note Quotaholders' Agreements;
 - (v) the Intermediate Note Limited Recourse Loan Agreements;
 - (w) the Intermediate Note Intercreditor Agreements;
 - (x) the Payments Undertaking Agreement;
 - (y) audit report of the Investor Note Issuer.
9. This Offering Circular will be available to the public during usual business hours at the registered offices of the Luxembourg Paying Agent and the Investor Note Principal Paying Agent at any time after the Investor Note Issue Date, and will be published on the Luxembourg Stock Exchange website (www.bourse.lu).
10. Under the terms of the Investor Note Agency Agreement, the Investor Note Agent Bank shall submit to the Investor Note Trustee, the Investor Note Agents, the Luxembourg Paying Agent and the Rating Agencies not later than 15 (fifteen) Business Days after each Payment Date, an investors' report providing information on the performance of the Intermediate Notes and the related Portfolios. This quarterly report will describe the trend of the Intermediate Notes and the related Portfolios in terms of default, delinquency and prepayments. Each released investors' report shall be available for collection at the registered office of the Investor Note

Trustee and at the registered offices of the Investor Note Agents. The first investors' report shall be available within 15 (fifteen) Business Days after the First Payment Date. The Investor Note Issuer also intends to provide any relevant post-issuance information relating to the Investor Notes. At the request and expense of the Investor Note Issuer, the Investor Note Principal Paying Agent will arrange for the publication of all notices to the Noteholders (other than those required to be published by the Investor Note Agent Bank) in accordance with the Investor Note Condition 11.

11. Save as disclosed in this document, there has been no material adverse change in the financial position, trading and prospects of the Investor Note Issuer since the date of its incorporation that is material in the context of the issue of the Investor Notes.
12. Certain information relating to the Intermediate Note Issuers has been reproduced from the Intermediate Notes Offering Circulars (as defined in the Glossary) (see "*Information Regarding the Intermediate Note Issuers*", "*Terms and Conditions of the CC Intermediate Notes*", "*Terms and Conditions of the CF Intermediate Notes*"). To the best of its knowledge, the Investor Note Issuer is not aware and is able to ascertain from the information published by Intermediate Notes Issuers that no facts have been omitted which would render the reproduced information misleading. The Intermediate Note Offering Circulars are available for inspection during usual business hours at the registered offices of the Luxembourg Paying Agent and the Investor Note Principal Paying Agent at any time after the Investor Note Issue Date.

GLOSSARY OF TERMS

The definitions of the terms used in this document are subject to, and in some cases are summaries of, the definitions of such terms set out in the Transaction Documents, as amended from time to time.

"1990 Act" means the Irish Companies (Amendment) Act 1990, as amended.

"Acceleration Order of Priority" means the order in which the Investor Note Issuer Available Funds shall be applied on each Payment Date following the service of a Default Notice in accordance with the Investor Note Conditions.

"Additional Screen Rate" has the meaning given to it in Condition 5.2 of the Investor Note Conditions.

"Application of Proceeds" means the Pre-Acceleration Application of Proceeds or the Acceleration Order of Priority, as applicable, according to which the Investor Note Issuer Available Funds shall be applied on each Payment Date in accordance with the Investor Note Conditions.

"Available Class A Investor Note Interest Funds" means all amounts received in the Class A Investor Note Interest Account in respect of interest payments on the Class A Intermediate Notes during the Collection Period ending on such Payment Date.

"Available Class A Investor Note Principal Funds" means all amounts received in the Class A Investor Note Principal Account in respect of the Class A Intermediate Notes during the Collection Period ending on such Payment Date.

"Available Class B Investor Note Interest Funds" means all amounts received in the Class B Investor Note Interest Account in respect of interest payments on the Class B Intermediate Notes during the Collection Period ending on such Payment Date.

"Available Class B Investor Note Principal Funds" means all amounts received in the Class B Investor Note Principal Account in respect of the Class B Intermediate Notes during the Collection Period ending on such Payment Date.

"Available Investor Note Expense Funds" means all amounts received in the Investor Note Expenses Account during the Collection Period ending on such Payment Date.

"Back-up Servicers" means, together, the CF Back-up Servicer and the CC Back-up Servicer.

"BCC Alta Brianza Alzate Brianza Alzate" means Banca di Credito Cooperativo dell'Alta Brianza Alzate Brianza.

"BCC Alto Garda" means Cassa Rurale Alto Garda B.C.C. Società Cooperativa.

"BCC Alto Reno" means Banca di Credito Cooperativo dell'Alto Reno.

"BCC Alto Vicentino" means Banca Alto Vicentino Credito Cooperativo Scpa – Schio.

"BCC Asciano" means Bancasciano Credito Cooperativo Soc. Coop.

"BCC Bassa Friulana" means Banca di Credito Cooperativo della Bassa Friulana Società Cooperativa.

"BCC Bolognese" means Credito Cooperativo Bolognese Credibo – S.C.

"**BCC Bolzano**" means Cassa Rurale di Bolzano, Società Cooperativa.

"**BCC Brendola**" means Cassa Rurale ed Artigiana di Brendola Credito Cooperativo - Società Cooperativa.

"**BCC Campiglia dei Berici**" means Banca di Credito Cooperativo di Campiglia dei Berici Società Cooperativa.

"**BCC Cantù**" means Cassa Rurale ed Artigiana di Cantù Banca di Credito Cooperativo Soc. Coop.

"**BCC Cattrura**" means Banca di Credito Cooperativo di Cartura SCRL.

"**BCC Cavola e Sussuolo**" means Banca di Cavola e Sassuolo Credito Cooperativo.

"**BCC Fiumicello ed Aiello del Friuli**" means Banca di Credito Cooperativo di Fiumicello ed Aiello del Friuli Società Cooperativa.

"**BCC Folgaria**" means Cassa Rurale di Folgaria, Banca di Credito Cooperativo, Società Cooperativa.

"**BCC Gaudiano di Lavello**" means Banca di Credito Cooperativo di Gaudiano di Lavello Soc. Cooperativo.

"**BCC Lavis**" means Cassa Rurale di Lavis – Valle di Cembra, Banca di Credito Cooperativo, Società Cooperativa.

"**BCC Macerone**" means Banca di Credito Cooperativo di Macerone Società Cooperativa.

"**BCC Marca**" means Banca della Marca Credito Cooperativo - Società Cooperativa.

"**BCC Marcon**" means Banca Di Credito Cooperativo Di Marcon – Venezia, Società Cooperativa.

"**BCC Metauro**" means Banca di Credito Cooperativo del Metauro Società Cooperativa.

"**BCC Mezzocorona**" means Cassa Rurale Mezzocorona, Banca di Credito Cooperativo, Società Cooperativa.

"**BCC Mezzolombardo**" means Cassa Rurale Mezzolombardo e San Michele all'Adige, Banca di Credito Cooperativo, Società Cooperativa.

"**BCC Monastier e del Sile**" means Banca di Monastier e del Sile - Credito Cooperativo Società Cooperativa.

"**BCC Monteriggioni**" means Banca Monteriggioni Credito Cooperativo Soc. Coop.

"**BCC Ostra e Morro d'Alba**" means Banca di Credito Cooperativo di Ostra e Morro d'Alba Soc. Coop.

"**BCC Pergine**" means Cassa Rurale di Pergine, Banca di Credito Cooperativo, Società Cooperativa.

"**BCC Pergola**" means Banca di Credito Cooperativo di Pergola Società Cooperativa.

"**BCC Pinetana**" means Cassa Rurale Pinetana Fornace e Seregno, Banca di Credito Cooperativo, Società Cooperativa.

"**BCC Pordenonese**" means Banca Credito Cooperativo Pordenonese.

"**BCC Pratola Peligna** " means Banca di Credito Cooperativo di Pratola Peligna.

"**BCC Prealpi**" means Banca di Credito Cooperativo delle Prealpi, Società Cooperativa.

"**BCC Rovereto**" means Cassa Rurale di Rovereto, Banca di Credito Cooperativo, Società Cooperativa.

"**BCC San Giorgio** " means Banca San Giorgio e Valle Agno Credito Cooperativo di Fara Vicentino.

"**BCC Sesto San Giovanni**" means Banca di Credito Cooperativo di Sesto San Giovanni.

"**BCC Signa**" means Banca di Credito Cooperativo di Signa Società Cooperativa.

"**BCC Suasa**" means Banca Suasa - Credito Cooperativo - Società Cooperativa.

"**BCC Tione**" means Cassa Rurale di Tione Ragoli e Montagne, Banca di Credito Cooperativo, Società Cooperativa.

"**BCC Trevigiano**" means Trevigiano Banca di Credito Cooperativo Società Cooperativa.

"**BCC Val di Fassa**" means Cassa Rurale Val di Fassa e Agordino, Banca di Credito Cooperativo.

"**BCC Valle dei Laghi**" means Cassa Rurale della Valle dei Laghi, Banca di Credito Cooperativo, Società Cooperativa.

"**BCC Valsabbia**" means Cassa Rurale Giudicarie ValSabbia Paganella, Banca di Credito Cooperativo, Società Cooperativa.

"**BCC Veneziano**" means Banca di Credito Cooperativo del Veneziano, Società Cooperativa.

"**Bilateral Agreements**" means the bilateral agreements among member states of the European Union introducing measures equivalent to those of the Directive.

"**Borrowers**" means debtors under the Claims and their transferors, assignees and successors.

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

"**Calculation Date**" means the date falling three Business Days before each Payment Date.

"**CC Back-up Servicer**" means Cassa Centrale – Cassa Rurali Trentine-BCC Nord Est S.p.A.

"**CC Back-up Servicing Agreement**" means the back-up servicing agreement to be entered into on or prior to the Intermediate Note Issue Date between (1) the CC Originators, (2) Cassa Centrale and (3) the CC Intermediate Note Issuer.

"**CC Cash Administration and Agency Agreement**" means the cash administration and agency agreement to be entered into on or prior to the Intermediate Note Issue Date between (1) the CC Intermediate Note Issuer, (2) the CC Operating Bank, (3) the Intermediate Note Computation Agent, (4) the Intermediate Note Principal Paying Agent, (5) the Intermediate Note Agent Bank, (6) the Intermediate Note Cash Manager, (7) the Investor Note Agent Bank, (8) the Intermediate Note English Transaction Bank, (9) the Intermediate Note Transaction Bank, (10) the Intermediate Note Italian Paying Agent, (11) the Representative of the Noteholders, (12) the CC Servicers and (13) the CC Liquidity Providers.

"**CC Claims**" means the monetary claims arising now or at any time in the future under or in respect of the CC Portfolios.

"**CC Class C Intermediate Notes**" means the eighteen series of junior notes for an aggregate amount of Euro 9,178,792.03 due March 2038, issued by the CC Intermediate Note Issuer.

"**CC Class C Subscription Agreement**" means the subscription agreement to be entered into on or prior to the Intermediate Note Issue Date between the CC Intermediate Note Issuer and the CC Originators.

"**CC Corporate Services Agreement**" means the corporate services agreement to be entered into on or prior to the Intermediate Note Issue Date between the CC Intermediate Note Issuer and the Intermediate Note Corporate Services Provider.

"**CC Deed of Charge**" means the deed to be entered into on or about the Intermediate Note Issue Date between (1) the CC Intermediate Note Issuer, (2) the Investor Note Issuer, (3) the Intermediate Note Security Trustee, (4) the CC Servicers, (5) the CC Originators, (6) the CC Liquidity Providers, (7) the CC Limited Recourse Loan Providers, (8) the CC Operating Bank, (9) the Intermediate Note Corporate Services Provider, (10) the CC Back-up Servicer, (11) the Representative of the Noteholders, (12) the Intermediate Note Transaction Bank, (13) the Intermediate Note Italian Paying Agent, (14) the Intermediate Note Principal Paying Agent, (15) the Intermediate Note Agent Bank, (16) the Intermediate Note Computation Agent, (17) the Intermediate Note English Transaction Bank, (18) the Intermediate Note Cash Manager and (19) the CC Swap Counterparty.

"**CC Deed of Pledge**" means the deed to be entered into on or about the Intermediate Note Issue Date between (1) CC Back-Up Servicer, (2) the CC Intermediate Note Issuer, (3) the CC Limited Recourse Loan Providers, (4) the CC Liquidity Providers, (5) the CC Operating Bank, (6) the CC Originators, (7) the CC Servicers, (8) the CC Swap Counterparty, (9) the Intermediate Note English Transaction Bank, (10) the Intermediate Note Agent Bank, (11) the Intermediate Note Cash Manager, (12) the Intermediate Note Computation Agent, (13) the Intermediate Note Corporate Services Provider, (14) the Intermediate Note Italian Paying Agent, (15) the Intermediate Note Principal Paying Agent, (16) the Intermediate Note Security Trustee, (17) the Intermediate Note Stichting Corporate Servicer Provider, (18) the Intermediate Note Transaction Bank, (19) the Investor Note Issuer and (20) the Representative of the Noteholders.

"**CC Intercreditor Agreement**" means the intercreditor agreement to be entered into on or prior to the Intermediate Note Issue Date between the CC Parties and the Investor Note Issuer.

"**CC Intermediate Note Conditions**" means the terms and conditions of the CC Intermediate Notes as may be subsequently amended in accordance with the provisions thereof.

"**CC Intermediate Note Issuer**" means Cassa Centrale Finance S.r.l.

"**CC Intermediate Notes**" means the Class A CC Intermediate Notes and the Class B CC Intermediate Notes.

"**CC Limited Recourse Loan Agreement**" means the limited recourse loan agreement to be entered into on or prior to the Intermediate Note Issue Date between the CC Intermediate Note Issuer, the CC Limited Recourse Loan Providers and the Intermediate Note Transaction Bank.

"**CC Limited Recourse Loan Providers**" means the CC Originators in their capacity as limited recourse loan providers.

"**CC Liquidity Agreement**" means the liquidity agreement to be entered into on or prior to the Intermediate Note Issue Date between the CC Intermediate Note Issuer and each CC Liquidity Provider.

"**CC Liquidity Providers**" means the CC Originators in their capacity as liquidity providers.

"**CC Operating Bank**" means Cassa Centrale-Cassa Rurali Trentine-BCC Nord Est S.p.A.

"**CC Originators**" means BCC Alto Garda, BCC Alto Vicentino, BCC Bolzano, BCC Cavola e Sassuolo, BCC Folgaria, BCC Lavis, BCC Marcon, BCC Mezzocorona, BCC Mezzolombardo, BCC Pergine, BCC Pinetana, BCC Prealpi, BCC Rovereto, BCC Tione, BCC Val di Fassa, BCC Valle dei Laghi, BCC Valsabbia and BCC Veneziano.

"**CC Parties**" means (1) the CC Back-up Servicer, (2) the CC Intermediate Note Issuer, (3) the CC Limited Recourse Loan Providers, (4) the CC Liquidity Providers, (5) the CC Operating Bank, (6) the CC Originators, (7) the CC Servicers, (8) the CC Swap Counterparty, (9) the Intermediate Note Agent Bank, (10) the Intermediate Note Cash Manager, (11) the Intermediate Note Computation Agent, (12) the Intermediate Note Corporate Services Provider, (13) the Intermediate Note English Transaction Bank, (14) the Intermediate Note Italian Paying Agent, (15) the Intermediate Note Principal Paying Agent, (16) the Intermediate Note Security Trustee, (17) the Intermediate Note Stichting Corporate Services Provider, (18) the Intermediate Note Transaction Bank and (19) the Representative of the Noteholders.

"**CC Payment Report**" means the payment report provided by the Intermediate Note Computation Agent pursuant to the CC Cash Administration and Agency Agreement;

"**CC Placement Agent**" means Cassa Centrale delle Casse Rurali Trentine – BCC Nord Est. S.p.A..

"**CC Portfolios**" means the portfolios of monetary claims arising under residential and commercial mortgage loans executed by the CC Originators.

"**CC Quotaholders**" means Stichting Tridentum.

"**CC Quotaholders' Agreement**" means the quotaholders' agreement to be entered into on or prior to the Intermediate Note Issue Date between the CC Quotaholders, the CC Intermediate Note Issuer and the Representative of the Noteholders.

"**CC Servicers**" means the CC Originators in their capacity as servicers.

"**CC Servicing Agreement**" means the servicing agreement to be entered into on or prior to the Intermediate Note Issue Date between the CC Intermediate Note Issuer and the CC Servicers.

"**CC Stichting Corporate Services Agreement**" means the Stichting corporate services agreement to be entered into on or prior to the Intermediate Note Issue Date, between the CC Intermediate Note Issuer, the Intermediate Note Stichting Corporate Services Provider and the CC Quotaholders.

"**CC Subscription Agreement**" means the subscription agreement to be entered into on or prior to the Intermediate Note Issue Date between (1) the CF Intermediate Note Issuer, (2) the CF Originators, (3) the Investor Note Issuer, (4) the Representative of the Noteholders, (5) the Intermediate Note Security Trustee and (6) the Investor Notes Subscriber.

"**CC Swap Agreement**" means the swap transaction entered into between the CC Intermediate Note Issuer and the CC Swap Counterparty.

"**CC Swap Counterparty**" means Société Générale.

"**CC Transfer Agreements**" means the 18 transfer agreements to be entered into on or prior to the Intermediate Note Issue Date between the CC Intermediate Note Issuer and each CC Originator.

"**CC Valuation Date**" means 31 March 2006.

"CC Warranty and Indemnity Agreement" means the warranty and indemnity agreement to be entered into on or prior to the Intermediate Note Issue Date between the CC Intermediate Note Issuer and the CC Originators.

"CF Back-up Servicer" means ICCREA Banca S.p.A.

"CF Back-up Servicing Agreement" means the back-up servicing agreement to be entered into on or prior to the Intermediate Note Issue Date between (1) the CF Originators, (2) CF Back-up Servicer and (3) the CF Intermediate Note Issuer.

"CF Cash Administration and Agency Agreement" means the cash administration and agency agreement to be entered into on or prior to the Intermediate Note Issue Date between (1) the CF Intermediate Note Issuer, (2) the CF Operating Bank, (3) the Intermediate Note Computation Agent, (4) the Intermediate Note Principal Paying Agent, (5) the Intermediate Note Agent Bank, (6) the Intermediate Note Cash Manager, (7) the Investor Note Agent Bank, (8) the Intermediate Note English Transaction Bank, (9) the Intermediate Note Transaction Bank, (10) the Intermediate Note Italian Paying Agent, (11) the Representative of the Noteholders, (12) the CF Servicers and (13) the CF Liquidity Providers.

"CF Claims" means the monetary claims arising now or at any time in the future under or in respect of the CF Portfolios.

"CF Class C Intermediate Notes" means the twenty-five series of junior notes for an aggregate amount of Euro 11,884,837 due March 2038, issued by the CF Intermediate Note Issuer.

"CF Class C Subscription Agreement" means the subscription agreement to be entered into on prior to the Intermediate Note Issue Date between the CF Intermediate Note Issuer and the CF Originators.

"CF Corporate Services Agreement" means the corporate services agreement to be entered into on or prior to the Intermediate Note Issue Date between the CF Intermediate Note Issuer and the Intermediate Note Corporate Services Provider.

"CF Deed of Charge" means the deed to be entered into on or about the Intermediate Note Issue Date between (1) the CF Intermediate Note Issuer, (2) the Investor Note Issuer, (3) the Intermediate Note Security Trustee, (4) the CF Servicers, (5) the CF Originators, (6) the CF Liquidity Providers, (7) the CF Limited Recourse Loan Providers, (8) the CF Operating Bank, (9) the Intermediate Note Corporate Services Provider, (10) the CF Back-up Servicer, (11) the Representative of the Noteholders, (12) the Intermediate Note Transaction Bank, (13) the Intermediate Note Italian Paying Agent, (14) the Intermediate Note Principal Paying Agent, (15) the Intermediate Note Agent Bank, (16) the Intermediate Note Computation Agent, (17) the Intermediate Note English Transaction Bank, (18) the Intermediate Note Cash Manager and (19) the CF Swap Counterparty.

"CF Deed of Pledge" means the deed to be entered into on or about the Intermediate Note Issue Date between (1) CF Back-Up Servicer, (2) the CF Intermediate Note Issuer, (3) the CF Limited Recourse Loan Providers, (4) the CF Liquidity Providers, (5) the CF Operating Bank, (6) the CF Originators, (7) the CF Servicers, (8) the CF Swap Counterparty, (9) the Intermediate Note English Transaction Bank, (10) the Intermediate Note Agent Bank, (11) the Intermediate Note Cash Manager, (12) the Intermediate Note Computation Agent, (13) the Intermediate Note Corporate Services Provider, (14) the Intermediate Note Italian Paying Agent, (15) the Intermediate Note Principal Paying Agent, (16) the Intermediate Note Security Trustee, (17) the Intermediate Note Stichting Corporate Servicer Provider, (18) the Intermediate Note Transaction Bank, (19) the Investor Note Issuer and (20) the Representative of the Noteholders.

"CF Intercreditor Agreement" means the intercreditor agreement to be entered into on or prior to the Intermediate Note Issue Date between the CF Parties and the Investor Note Issuer.

"CF Intermediate Note Conditions" means the terms and conditions of the CF Intermediate Notes as may be subsequently amended in accordance with the provisions thereof.

"CF Intermediate Note Issuer" means Credico Finance 6 S.r.l.

"CF Intermediate Notes" means the Class A CF Intermediate Notes and the Class B CF Intermediate Notes.

"CF Limited Recourse Loan Agreement" means the limited recourse loan agreement to be entered into on or prior to the Intermediate Note Issue Date between the CF Intermediate Note Issuer, CF Limited Recourse Loan Providers and the Intermediate Note Transaction Bank.

"CF Limited Recourse Loan Providers" means the CF Originators in their capacity as limited recourse loan providers.

"CF Liquidity Agreement" means the liquidity agreement to be entered into on or prior to the Intermediate Note Issue Date between the CF Intermediate Note Issuer and each CF Liquidity Provider.

"CF Liquidity Providers" means the CF Originators in their capacity as liquidity providers.

"CF Operating Bank" means ICCREA Banca.

"CF Originators" means BCC Alta Brianza Alzate Brianza, BCC Alto Reno, BCC Asciano, BCC Bassa Friulana, BCC Bolognese, BCC Brendola, BCC Camiglia dei Berici, BCC Cantù, BCC Carturu, BCC San Giorgio, BCC Fiumicello ed Aiello del Friuli, BCC Gaudiano di Lavello, BCC Macerone, BCC Marca, BCC Metauro, BCC Monastier e del Sile, BCC Monteriggioni, BCC Ostra e Morro d'Alba, BCC Pergola, BCC Pordenonese, BCC Pratola Peligna, BCC Sesto San Giovanni, BCC Signa, BCC Suasa and BCC Trevigiano.

"CF Parties" means (1) the CF Back-up Servicer, (2) the CF Intermediate Note Issuer, (3) the CF Limited Recourse Loan Providers, (4) the CF Liquidity Providers, (5) the CF Operating Bank, (6) the CF Originators, (7) the CF Servicers, (8) the CF Swap Counterparty, (9) the Intermediate Note Agent Bank, (10) the Intermediate Note Cash Manager, (11) the Intermediate Note Computation Agent, (12) the Intermediate Note Corporate Services Provider, (13) the Intermediate Note English Transaction Bank, (14) the Intermediate Note Italian Paying Agent, (15) the Intermediate Note Principal Paying Agent, (16) the Intermediate Note Security Trustee, (17) the Intermediate Note Stichting Corporate Services Provider, (18) the Intermediate Note Transaction Bank and (19) the Representative of the Noteholders.

"CF Payment Report" means the payment report provided by the Intermediate Note Computation Agent pursuant to the CF Cash Administration and Agency Agreement;

"CF Placement Agent" means ICCREA Banca S.p.A. – Istituto Centrale del Credito Cooperativo.

"CF Portfolios" means the portfolios of monetary claims arising under residential and commercial mortgage loans executed by the CC Originators.

"CF Quotaholders Agreement" means the quotaholders' agreement to be entered into on or prior to the Intermediate Note Issue Date between the CF Quotaholders, the CF Intermediate Note Issuer and the Representative of the Noteholders.

"CF Quotaholders" means Stichting Melograno 3 and Stichting Melograno 4.

"CF Servicers" means the CF Originators in their capacity as servicers.

"**CF Servicing Agreement**" means the servicing agreement to be entered into on or prior to the Intermediate Note Issue Date between the CF Intermediate Note Issuer and the CF Servicers.

"**CF Stichting Corporate Services Agreement**" means the Stichting corporate services agreement to be entered into on or prior to the Intermediate Note Issue Date, between the CF Intermediate Note Issuer, the Intermediate Note Stichting Corporate Services Provider and the CF Quotaholders.

"**CF Subscription Agreement**" means the subscription agreement to be entered into on or prior to the Intermediate Note Issue Date, between (1) the CF Intermediate Note Issuer, (2) the CF Originators, (3) the Investor Note Issuer, (4) the Representative of the Noteholders, (5) the Intermediate Note Security Trustee and (6) the Investor Notes Subscriber.

"**CF Swap Agreement**" means the swap transaction entered into between the CF Intermediate Note Issuer and the CF Swap Counterparty.

"**CF Swap Counterparty**" means Société Générale.

"**CF Valuation Date**" means 10 April 2006.

"**CF Transfer Agreements**" means the 25 transfer agreements to be entered into on or prior to the Intermediate Note Issue Date between the CF Intermediate Note Issuer and the each CF Originator.

"**CF Warranty and Indemnity Agreement**" means the warranty and indemnity agreement to be entered into on or prior to the Intermediate Note Issue Date between the CC Intermediate Note Issuer and the CF Originators.

"**Claims**" means the monetary claims arising now or at any time in the future under or in respect of the Portfolios.

"**Class A CC Intermediate Notes**" means the Euro 432,065,000 Class A Asset Backed Floating Rate Intermediate Notes due March 2038 issued by the CC Intermediate Note Issuer.

"**Class A CF Intermediate Notes**" means the Euro 563,985,000 Class A Asset Backed Floating Rate Intermediate Notes due March 2038 issued by the CF Intermediate Note Issuer.

"**Class A Intermediate Notes**" means Class A CC Intermediate Notes and Class A CF intermediate Notes.

"**Class A Investor Note Interest Account**" means the account into which all amounts received by the Investor Note Issuer in respect of interest on the Class A Investor Notes will be credited.

"**Class A Investor Note Principal Account**" means the account into which all amounts received by the Investor Note Issuer in respect of principal on the Class A Investor Notes will be credited.

"**Class A Investor Notes**" means the Euro 996,050,000 Class A Secured Floating Rate Investor Notes due March 2038 issued by the Investor Note Issuer.

"**Class B CC Intermediate Notes**" means the Euro 18,400,000 Class B Asset Backed Floating Rate Intermediate Notes due March 2038 issued by the CC Intermediate Note Issuer.

"**Class B CF Intermediate Notes**" means the Euro 24,000,000 Class B Asset Backed Floating Rate Intermediate Notes due March 2038 issued by the CF Intermediate Note Issuer.

"**Class B Intermediate Notes**" means the Class B CC Intermediate Notes and the Class B CF Intermediate Notes.

"Class B Investor Note Interest Account" means the account into which all amounts received by the Investor Note Issuer in respect of interest on the Class B Investor Notes will be credited.

"Class B Investor Note Principal Account" means the account into which all amounts received by the Investor Note Issuer in respect of principal on the Class B Investor Notes will be credited.

"Class B Investor Notes" means the Euro 42,400,000 Class B Secured Floating Rate Investor Notes due March 2038 issued by the Investor Note Issuer.

"Class C Intermediate Notes" means the CC Class C Intermediate Notes and the CF Class C Intermediate Notes.

"Class" means each class of the Investor Notes, being the Class A Investor Notes and the Class B Investor Notes.

"Clearing System" means each of Euroclear and Clearstream, Luxembourg.

"Clearstream Luxembourg" means Clearstream Banking Luxembourg.

"Co-Arrangers" means Société Générale Corporate & Investment Banking, Dexia Capital Markets, Cassa Centrale and ICCREA Banca.

"Collection Period" means each period starting on a Payment Date (exclusive) and ending on the following Payment Date (inclusive).

"Collections" means all the amounts collected and/or recovered under the Claims on or after the Transfer Date and any amount received by the Intermediate Note Issuers from the Intermediate Note Servicers pursuant to the Intermediate Note Servicing Agreements.

"Common Depository" means Deutsche Bank AG, London Branch as the common depository for Euroclear and Clearstream, Luxembourg.

"Council Directive" means the Directive on the taxation of savings income adopted by the European Council of Economics and Finance Ministers on June 3, 2003.

"Default Notice" has the meaning ascribed to it in Condition 9 of the Investor Note Conditions.

"Directive" means the directive on the taxation of savings income 2003/48/EC.

"EURIBOR" means the Euro-zone inter-bank offered rate for particular period as appears on Reuters Page Euribor01.

"Euro" and **"€"** means the single currency introduced in the member states of the European Community which adopted the single currency in accordance with the Treaty of Rome of 25 March 1957 as amended by, *inter alia*, the Single European Act 1986, the Treaty of European Union of 7 February 1992 establishing the European Union and the Treaty of Amsterdam of 2 October 1997.

"Euroclear" means Euroclear Bank S.A./N.V., 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 subsequently amended.

"Extraordinary Resolution" means a resolution passed at a meeting of the Noteholders, duly held and convened in accordance with the Investor Note Trust Deed, by a majority consisting of not less than 75% of the votes cast.

"**Event of Default**" has the meaning set out in Condition 9 of the Investor Note Conditions.

"**First Payment Date**" means 12 December, 2006.

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

"**General Criteria**" means the general criteria under which the Claims included in the Portfolios have been selected as at the relevant Valuation Date as set out in "*Selection criteria of the Claims*".

"**ICCREA Banca**" means ICCREA Banca S.p.A..

"**Initial Interest Period**" means the first interest period which shall begin (and include) the Investor Note Issue Date and end on (but exclude) the First Payment Date.

"**Interest Amount**" has the meaning set out in Condition 5.2 in the Investor Note Conditions.

"**Interest Determination Date**" means with respect to the Initial Interest Period, the date falling on the second Business Day immediately preceding the Investor Note Issue Date and with respect to each subsequent Interest Period, the date falling on the fourth Business Day immediately preceding the Payment Date at the beginning of such Interest Period.

"**Interest Period**" means each period from (and including) a Payment Date to (but excluding) the following Payment Date, provided that the Initial Interest Period shall begin on (and include) the Investor Note Issue Date and end on (but exclude) the First Payment Date.

"**Interest Rate**" means the rate of interest applicable from time to time in respect of the Investor Notes which will be EURIBOR for three month deposits in Euro (or in the case of the Initial Interest Period, the linear interpolation between the EURIBOR for 6 month and 7 month deposits in Euro) plus the following relevant margin: 0.16% per annum in respect of the Class A Investor Notes; and 0.46% per annum in respect of the Class B Investor Notes.

"**Intermediate Note Agent Bank**" means Deutsche Bank AG, London Branch or any other person acting as the Intermediate Note Agent Bank.

"**Intermediate Note Back-up Servicing Agreements**" means the CC Back-up Servicing Agreement and the CF Back-up Servicing Agreement.

"**Intermediate Note Cash Administration and Agency Agreement**" means the CC Cash Administration and Agency Agreement and the CF Cash Administration and Agency Agreement.

"**Intermediate Note Cash Manager**" means Deutsche Bank AG, London Branch or any other person acting as the Intermediate Note Cash Manager.

"**Intermediate Note Class C Subscription Agreements**" means the CC Class C Subscription Agreement and the CF Class C Subscription Agreement.

"**Intermediate Note Computation Agent**" means Deutsche Bank AG, London Branch or any other person acting as the Intermediate Note Computation Agent.

"**Intermediate Note Conditions**" means the CC Intermediate Note Conditions and CF Intermediate Note Conditions.

"**Intermediate Note Corporate Services Agreements**" means the CC Corporate Services Agreement and the CF Corporate Services Agreement.

"Intermediate Note Corporate Services Provider" means FIS Fiduciaria Generale S.p.A. or any other person acting as the Intermediate Note Corporate Services Provider.

"Intermediate Note Deeds of Charge" means the CC Deed of Charge and the CF Deed of Charge.

"Intermediate Note Deeds of Pledge" means the CC Deed of Pledge and the CF Deed of Pledge.

"Intermediate Note English Transaction Bank" means Deutsche Bank AG, London Branch or any other person acting as the Intermediate Note English Transaction Bank.

"Intermediate Note Final Maturity Date" means the payment date of the Intermediate Notes falling in March 2038.

"Intermediate Note Intercreditor Agreements" means the CC Intercreditor Agreement and the CF Intercreditor Agreement.

"Intermediate Note Issue Date" means 8 June 2006.

"Intermediate Note Issuers" means the CC Intermediate Note Issuer and CF Intermediate Note Issuer.

"Intermediate Note Italian Paying Agent" means Deutsche Bank S.p.A. or any other person from time to time acting as Intermediate Note Italian Paying Agent.

"Intermediate Note Limited Recourse Loan Agreements" means the CC Limited Recourse Loan Agreements and the CF Limited Recourse Loan Agreements.

"Intermediate Note Limited Recourse Loan Providers" means the CC Limited Recourse Loan Providers and the CF Limited Recourse Loan Providers.

"Intermediate Note Liquidity Agreements" means the CC Liquidity Agreements and the CF Liquidity Agreements.

"Intermediate Note Liquidity Providers" means the CC Liquidity Providers and the CF Liquidity Providers.

"Intermediate Note Offering Circulars" means the offering circulars dated 8 June 2006 in relation to each of the CF Intermediate Notes and the CC Intermediate Notes.

"Intermediate Note Paying Agents" means, together, the Intermediate Note Principal Paying Agent and the Intermediate Note Italian Paying Agent.

"Intermediate Note Principal Paying Agent" means Deutsche Bank AG, London Branch or any other person acting as the Intermediate Note Principal Paying Agent.

"Intermediate Note Quotaholders Agreements" means the CC Quotaholders' Agreement and the CF Quotaholders' Agreement.

"Intermediate Note Security Trustee" means Deutsche Trust Company Limited or any other person acting as the Intermediate Note Security Trustee.

"Intermediate Note Security Trustee" means Deutsche Trustee Company Limited or any other person from time to time acting as Intermediate Note Security Trustee.

"Intermediate Note Servicers" means the CC Servicers and the CF Servicers.

"Intermediate Note Servicing Agreements" means the CC Servicing Agreement and CF Servicing Agreement.

"Intermediate Note Stichting Corporate Services Agreements" means the CC Stichting Corporate Services Agreement and the CF Stichting Corporate Services Agreement.

"Intermediate Note Stichting Corporate Services Provider" means SPV Management Limited or any other person acting as the Intermediate Note Stichting Corporate Services Provider.

"Intermediate Note Subscription Agreements" means the CC Subscription Agreements and the CF Subscription Agreements.

"Intermediate Note Swap Agreements" means the CC Swap Agreements and the CF Swap Agreements.

"Intermediate Note Swap Counterparties" means the CC Swap Counterparty and the CF Swap Counterparty.

"Intermediate Note Transaction Bank" means Deutsche Bank S.p.A. or any other person acting as the Intermediate Note Transaction Bank.

"Intermediate Note Transaction Documents" means collectively the Intermediate Note Transfer Agreements, the Intermediate Note Warranty and Indemnity Agreements, the Intermediate Note Servicing Agreements, the Intermediate Note Back-up Servicing Agreements, the Intermediate Note Intercreditor Agreements, the Intermediate Note Corporate Services Agreements, the Intermediate Note Stichting Corporate Services Agreements, the Intermediate Note Cash Administration and Agency Agreements, the Intermediate Note Swap Agreements, the Intermediate Note Limited Recourse Loan Agreements, the Intermediate Note Liquidity Agreements, the Intermediate Note Subscription Agreements, the Intermediate Note Class C Subscription Agreements, the Intermediate Note Conditions, the Intermediate Note Deeds of Pledge, the Intermediate Note Quotaholders' Agreements and the Intermediate Note Deeds of Charge.

"Intermediate Note Transfer Agreements" the CC Transfer Agreements and the CF Transfer Agreements.

"Intermediate Note Warranty and Indemnity Agreements" means the CC Warranty and Indemnity Agreement and the CF Warranty and Indemnity Agreement.

"Intermediate Notes" means the CF Intermediate Notes and the CC Intermediate Notes.

"Investor Note Account Management Agreement" means the account management agreement entered into on or prior to the Investor Note Issue Date between the Investor Note Issuer, the Investor Note Bank and the Investor Note Trustee.

"Investor Note Agency Agreement" means the agency agreement entered into on or prior to the Investor Note Issue Date between the Investor Note Trustee, the Investor Note Issuer and the Investor Note Agents.

"Investor Note Agent Bank" means Deutsche Bank AG, London Branch or any other person acting as the Investor Note Agent Bank.

"Investor Note Agents" means the Investor Note Principal Paying Agent, the Investor Note Agent Bank, the Investor Note Custodian and the Luxembourg Paying Agent.

"Investor Note Basic Terms Modification" has the meaning given to it in Condition 14.1 of the Investor Note Conditions.

"Investor Note Collateral" has the meaning set out in Condition 3 of the Investor Note Conditions.

"Investor Note Conditions" means the terms and conditions of the Investor Notes.

"Investor Note Custodian" means Deutsche Bank S.p.A or any other person acting as the Investor Note Custodian.

"Investor Note Expenses Account" means the account into which the Intermediate Note Issuers will pay amounts in respect of taxes, fees, costs and expenses required to be paid by the Investor Note Issuer during each Interest Period.

"Investor Note Final Maturity Date" means the Payment Date falling in March, 2038.

"Investor Note Issue Date" means 8 June 2006.

"Investor Note Issue Price" means Euro 1,038,450,000.

"Investor Note Issuer Accounts" means the Class A Investor Note Interest Account, the Class B Interest Investor Note Interest Account, the Class A Investor Note Principal Account, the Class B Investor Note Principal Account and the Investor Note Expenses Account.

"Investor Note Issuer Administration Agreement" means the administration agreement to be entered into on or prior to the Investor Note Issue Date between the Investor Note Issuer, the Investor Note Trustee, Investor Note Issuer Share Trustee and the Investor Note Issuer Administrator, as may be amended or supplemented from time to time.

"Investor Note Issuer Administrator" means Structured Finance Management (Ireland) Limited or any other person acting as the Investor Note Issuer Administrator.

"Investor Note Issuer Available Funds" means, in respect of each Payment Date, the aggregate of the Available Class A Investor Note Interest Funds, the Available Class B Investor Note Interest Funds, the Available Class A Investor Note Principal Funds, the Available Class B Investor Note Principal Funds, the Available Investor Note Expense Funds, any proceeds arising from the sale of the Investor Note Collateral and all other amounts received from the Intermediate Note Issuers or any other party during the Collection Period ending on such Payment Date.

"Investor Note Issuer Share Trustee" means the three Irish companies limited by guarantee: Badb Charitable Trust Limited, Medb Charitable Trust Limited and Eurydice Charitable Trust Limited which hold the issued Investor Note Issuer Shares directly or indirectly by on trust for charitable purposes.

"Investor Note Issuer Shares" means the EUR 40,000 authorised share capital of the Investor Note Issuer.

"Investor Note Issuer" means BCC Mortgages PLC.

"Investor Note Principal Paying Agent" means Deutsche Bank AG, London Branch or any other person acting as the Investor Note Principal Paying Agent.

"Investor Note Secured Creditors" means the Investor Note Trustee, the Noteholders, the Investor Note Agents and the Investor Note Issuer Administrator.

"Investor Note Secured Obligations" means the obligations of the Investor Note Issuer (i) in respect of the Investor Notes (including, without limitation, its obligation to pay interest, principal and other amounts in respect of the Investor Notes to the Investor Note Trustee, for the benefit of the Noteholders, pursuant to the Investor Note Trust Deed), (ii) to pay all fees, expenses and other amounts payable by the Investor Note Issuer to the Investor Note Trustee pursuant to the Investor Note Trust Deed or any of the other Investor Note Transaction Documents, including all costs, charges and other expenses incurred by the Investor Note Trustee (including remuneration payable to the Investor Note Trustee or any receiver) in enforcing the Investor Note Collateral, (iii) to pay the fees, expenses and other amounts payable by the Investor Note Issuer to the Investor Note Agents pursuant to the Investor Note Agency Agreement and the Investor Note Account Management Agreement, and (iv) to pay the fees, expenses and other amounts payable by the Investor Note Issuer to the Investor Note Issuer Administrator pursuant to the Investor Note Issuer Administration Agreement;

"Investor Note Subscription Agreement" means the subscription agreement to be entered into on or prior to the Investor Note Issue Date between the Investor Note Issuer, the Placement Agents and the Lead Manager.

"Investor Notes Subscriber" means Société Générale, London Branch.

"Investor Note Transaction Documents" means the Investor Note Trust Deed, the Investor Note Agency Agreement, the Investor Note Subscription Agreement, the Investor Note Account Management Agreement and the Investor Note Issuer Administration Agreement.

"Investor Note Trust Deed" means the trust deed to be entered into on or prior to the Investor Note Issue Date between the Investor Note Issuer and the Investor Note Trustee.

"Investor Notes" means the Class A Investor Notes and the Class B Investor Notes.

"Irish Company Liquidity Shortfall" has the meaning given to it in the Intermediate Note Cash Administration and Agency Agreements.

"Law 130" means the Securitisation Law dated 30 April 1999, no. 130 (*"Disposizioni sulla cartolarizzazione dei crediti"*).

"Law 239 Deduction" means any withholding or deduction for or on account of "imposta sostitutiva" under Legislative Decree No. 239 of 1 April 1996 as amended by Italian Law No. 409 and No. 410 of 23 November 2001 as subsequently amended and supplemented.

"Lead Manager" means Société Générale, London Branch.

"Limited Recourse Loans" means the limited recourse loans granted by each Intermediate Limited Recourse Loan Provider further to the Intermediate Note Limited Recourse Loan Agreements.

"Luxembourg Paying Agent" means Deutsche Bank Luxembourg S.A. or any of its permitted successors or assignees from time to time.

"Master Agreement" means an International Swaps and Derivatives Association, Inc. Master Agreement (Multicurrency-Cross Border), together with a Schedule.

"Member States" means

"Monte Titoli" means Monte Titoli S.p.A.

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

"Mortgage Loans" has the meaning given to it in the Intermediate Note Transfer Agreements.

"Mortgage" has the meaning given to it in the Intermediate Note Transfer Agreements.

"Most Senior Class of Investor Notes" (a) the Class A Investor Notes; or (b) if no Class A Investor Notes are then outstanding, the Class B Investor Notes.

"Noteholders" means the holders of the Investor Notes.

"Offering Circular" means this offering circular dated 9 June 2006.

"Originators" means the CC Originators and the CF Originators.

"Other CC Intermediate Note Issuer Creditors" has the same meaning as **"Other Issuer Creditors"** in the CC Intermediate Note Conditions.

"Other CF Intermediate Note Issuer Creditors" has the same meaning as **"Other Issuer Creditors"** in the CF Intermediate Note Conditions.

"Payment Date" means the 12th day of December, March, June and September, in each year or, if any of such a date does not fall on a Business Day, the following Business Day, until the Investor Note Final Maturity Date.

"Payments Undertaking Agreement" means the payments undertaking agreement to be entered into on or prior to the Intermediate Note Issue Date between the Investor Note Issuer and the Intermediate Note Issuers.

"Person(s)" means any natural person, partnership, corporation, company, limited liability company, trust, estate, joint stock partnership or company, joint venture, governmental entity, unincorporated organisation or other entity or organisation.

"Placement Agents" means the CC Placement Agent and CF Placement Agent.

"Portfolios" means the CC Portfolios and the CF Portfolios.

"Pre-Acceleration Application of Proceeds" means the order in which the Investor Note Issuer Available Funds shall be applied on each Payment Date prior to the service of a Default Notice in accordance with the Investor Note Conditions.

"Prospectus Directive" means the EU Prospectus Directive 2003/71/EC, together with any relevant implementing measure in each Relevant Member State.

"Rating Agencies" means Moody's and S&P and any successors thereof and any other rating agency which shall be appointed by the Investor Note Issuer to give a rating to the Investor Notes.

"Real Estate Assets" has the meaning given to it in the Intermediate Note Warranty and Indemnity Agreements.

"Reference Banks" has the meaning given to it in Condition 5.7 of the Investor Note Conditions.

"Relevant Date" has the meaning given to it in Condition 5.7 of the Investor Note Conditions.

"Relevant Implementation Date" means the date on which the Prospectus Directive is implemented in a Relevant Member State.

"Relevant Member State" means a member state of the European Economic Area which has implemented the Prospectus Directive.

"Representative of the Noteholders" means Deutsche Trustee Company Limited or any other person acting as the Representative of the Noteholders.

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

"Screen Rate" has the meaning given to it in Condition 5.2 of the investor Note Conditions.

"Securities Act" means the United States Securities Act of 1933.

"Securities" means the Italian treasury bonds (*Titoli di Stato*) each Intermediate Note Limited Recourse Loan Provider will grant to each Intermediate Note Issuer pursuant to the Intermediate Note Limited Recourse Loan Agreements.

"Specific Criteria" means the specific objective criteria in respect of each Originator under which the Claims included in the Portfolios have been selected as at the relevant Valuation Date as set out in *"Selection criteria of the claims"*.

"Subscription Agreements" means collectively the Investor Note Subscription Agreement and the Intermediate Note Subscription Agreements.

"Transaction Documents" means the Intermediate Note Transaction Documents and the Investor Note Transaction Documents

"Transaction" means the securitisation of the Intermediate Notes.

"Transfer Date" means has the meaning given to it in the Intermediate Note Transfer Agreements.

"Trigger Event" has the meaning given to it in the Intermediate Note Conditions.

"Trigger Notice" has the meaning given to it in the Intermediate Note Conditions.

"Valuation Date" means the CC Valuation Date and the CF Valuation Date.

THE INVESTOR NOTE ISSUER
BCC Mortgages PLC
Trinity House, Charleston Road, Ranelagh
Dublin 6, Ireland

THE INTERMEDIATE NOTE ISSUERS

Credico Finance 6 S.r.l.
Largo Chigi 5
00197 Rome, Italy

Cassa Centrale Finance S.r.l.
via Segatini 5
38100 Trento, Italy

**THE CF ORIGINATORS – SERVICERS - LIQUIDITY PROVIDERS and SUBORDINATED
LOAN PROVIDERS**

**Banca di Credito Cooperativo dell'Alta
Brianza Alzate Brianza Società Cooperativa**
via IV Novembre 51
Alzate Brianza, Italy

**Banca di Credito Cooperativo dell'AltoReno
Società Cooperativa**
Piazza Marconi 8
40042 Lizzano in Belvedere (BO), Italy

Bancasciano Credito Cooperativo Soc. Coop.
C.so Matteotti 1/S
53041 Asciano (SI), Italy

**Banca di Credito Cooperativo della Bassa
Friulana, Società Cooperativa**
via Udine 70/A
Castions di Strada, Udine, Italy

Credito Cooperativo Bolognese Credibo S.C.
via Calzoni Alfredo 1/3
40128 Bologna, Italy

**Cassa Rurale ed Artigiana di
Brendola Credito - Cooperativo
Società Cooperativa**
Piazza del Mercato 15/20
36040 Brendola, Italy

**Banca di Credito Cooperativo di
Campiglia dei Berici Società Cooperativa**
via Nazionale 2
36020 Campiglia dei Berici (VI), Italy

**Cassa Rurale ed Artigiana di Cantù Banca di
Credito Cooperativo Società Cooperativa**
C.so Unità d'Italia n. 11
22063 Cantù, (CO) Italy

**Banca di Credito Cooperativo di Cartura
SCRL**
via Roma 15
35025 Cartura (PD), Italy

**Banca San Giorgio e Valle Agno Credito
Cooperativo di Fara Vicentino**
via Perlina 78 (fraz. San Giorgio di Perlina)
Fara Vicentino, Italy

**Banca di Credito Cooperativo di Fiumicello
ed Aiello del Friuli Società Cooperativa**
via Gramsci 12
33050 Fiumicello, Italy

**Credito Trevigiano Banca di Credito
Cooperativo Società Cooperativa**
via Roma 15
Vedelago (TV), Italy

**Banca Suasa - Credito Cooperativo –
Società Cooperativa**
via Vittorio Emanuele 1,
Mondavio Frazione San Michele al Fiume
61040 Mondavio (PU) Italy

**Banca di Credito Cooperativo di Signa Società
Cooperativa**
Piazza Michelacci 6
Signa (FI), Italy

**Banca di Credito Cooperativo
di Sesto San Giovanni Società Cooperativa**
via Benedetto Croce 5
20099 Sesto San Giovanni, Milan, Italy

**Banca di Credito Cooperativo
di Pratola Peligna Società Cooperativa**
via Gramsci n. 136
Pratola Peligna, Italy

Banca Credito Cooperativo Pordenonese via
Trento n.1
33082 Azzano Decimo (PN), Italy

**Banca di Credito Cooperativo di Pergola
Società Cooperativa**
Viale Martiri della Libertà n. 46/B
61045 Pergola, Italy

**Banca di Credito Cooperativo di Ostra e
Morro d'Alba**
via Mazzini 93
Ostra (AN), Italy

**Banca Monteriggioni Credito Cooperativo Soc.
Coop.**
via Cassia Nord n. 2/4/6
Monteriggioni (SI), Italy

**Banca di Monastier e del Sile - Credito
Cooperativo Società Cooperativa**
via V. Emanuele,
1-61040, Frazione San Michele al Fiume (PS),
Italy

**Banca di Credito Cooperativo del Metauro
Società Cooperativa**
via G. Matteotti 4
61038 Orciano di Pesaro (PU), Italy

**Banca della Marca - Credito Cooperativo -
Società Cooperativa**
via G. Garibaldi 46
31010 Orsago (TV), Italy

Banca di Credito Cooperativo di Macerone
via Cesenatico 5699
Cesena (FC), Italy

**Banca di Credito Cooperativo
di Gaudio di Lavello Soc. Cooperativa**
C.so G. Fortunato, 48/50
85024 Lavello (PZ), Italy

THE CC ORIGINATORS – SERVICERS - LIQUIDITY PROVIDERS and SUBORDINATED LOAN PROVIDERS

**Cassa Rurale Alto Garda B.C.C.
Società Cooperativa**
Viale delle Magnolie 1
Arco, Italy,

**Banca Alto Vicentino Credito Cooperativo Sepa
– Schio**
via Pista dei Veneti 14
36015 Schio (VI), Italy

Cassa Rurale di Bolzano, Società Cooperativa
via De Lai 2
39100 Bolzano, Italy

**Banca Di Credito Cooperativo Di Marcon –
Venezia, Società Cooperativa**
Piazza Municipio 22
30020 Marcon (VE), Italy

**Cassa Rurale di Lavis – Valle di Cembra,
Banca di Credito Cooperativo, Società
Cooperativa**
via Rosmini 61
Lavis (TN), Italy

**Cassa Rurale di Folgaria, Banca di Credito
Cooperativo, Società Cooperativa**
Pizza San Lorenzo 47
38064 Folgaria (TN), Italy

**Banca di Cavola e Sassuolo Credito
Cooperativo**
via Verdi 1
42010 Cavola di Toano Re, Italy

**Cassa Rurale di Folgaria, Banca di Credito
Cooperativo, Società Cooperativa**
P.zza San Lorenzo 47
38064 Folgaria (TN), Italy

**Cassa Rurale di Lavis – Valle di Cembra,
Banca di Credito Cooperativo, Società
Cooperativa**
via Rosmini 61
Lavis (TN), Italy

**Banca di Credito Cooperativo del Veneziano,
Società Cooperativa**
via Villa 147,
30010 Campolongo Maggiore (VE), Italy,

**Cassa Rurale Giudicarie ValSabbia Paganella,
Banca di Credito Cooperativo,
Società Cooperativa**
via Marini 33
Storo frazione Darzo, Italy

**Cassa Rurale della Valle dei Laghi, Banca di
Credito Cooperativo, Società Cooperativa**
via Nazionale 7
Padergnone (TN), Italy

**Cassa Rurale Val di Fassa Agordino,
Banca di Credito**
Piazza C. Battisti 1
38035 Moena (TN), Italy

**Cassa Rurale di Tione Ragoli e Montagne,
Banca di Credito Cooperativo,
Società Cooperativa**
via 3 Novembre 20
38079 Tione di Trento (TN), Italy

**Cassa Rurale di Rovereto, Banca di Credito
Cooperativo, Società Cooperativa**
via Manzoni 1
38068 Rovereto (TN), Italy

**Banca di Crediti Cooperativo delle Prealpi,
Società Cooperativa**
via Roma 57
31020 Tarzo (TV), Italy

**Cassa Rurale Pinetana Fornace e Serenano,
Banca di Credito Cooperativo,
Società Cooperativa**
via C. Battisti 17
38042 Baselga di Pinè (TN), Italy

**Cassa Rurale di Pergine, Banco di Credito
Cooperativo, Società Cooperativa**
Piazza Gavazzi 5
38057 Pergine Valsugana (TN), Italy

**Cassa Rurale Mezzolombardo e San Michele
dell'Adige, Banca di Credito Cooperativo,
Società Cooperativa**
Corso del Popolo 22
Mezzolombardo (TN), Italy

**Cassa Rurale Mezzocorona, Banca di Credito
Cooperativo, Società Cooperativa**
via Cavalleggeri 19
38016 Mezzocorona (TN), Italy

**Banca Di Credito Cooperativo Di Marcon –
Venezia, Società Cooperativa**
Piazza Municipio 22
30020 Marcon (VE), Italy

**CC BACKUP SERVICER - CC OPERATING BANK and CC PLACEMENT AGENT
Cassa Centrale delle Casse Rurali Trentine – BCC Nord Est. S.p.A**
via Segantini 5
38100 Trento, Italy

**CF BACKUP SERVICER - CF OPERATING BANK and CF PLACEMENT AGENT
ICCREA Banca S.p.A. – Istituto Centrale del Credito Cooperativo**
via Lucrezia Romana 41-47
00178 Rome, Italy

**INVESTOR NOTE TRUSTEE - REPRESENTATIVE OF THE NOTEHOLDERS and
INTERMEDIATE NOTE SECURITY TRUSTEE**

Deutsche Trustee Company Limited
Winchester House, 1 Great Winchester Street
London EC2N 2DB, United Kingdom

**INTERMEDIATE NOTE ENGLISH TRANSACTION BANK - INTERMEDIATE NOTE
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