

OFFERING CIRCULAR

CREDICO FINANCE 6 S.R.L.

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

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

Issue Price: 100%

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

Issue Price: 100%

Credico Finance 6 S.r.l., a limited liability company incorporated under law 30 April 1999, no. 130 ("**Disposizioni sulla cartolarizzazione dei crediti**", "**Law 130**" or the "**Securitisation Law**") (the "**Issuer**") will issue € 563,985,000 Class A Asset-Backed Floating Rate Notes due March 2038 (the "**Class A Notes**") and € 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**") on 8 June 2006 (the "**Issue Date**").

In connection with the issue of the Senior Notes the Issuer will issue twenty-five series of junior notes for an aggregate amount of Euro 11,884,837 divided as follows: 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**"), 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 and the Class C24 Notes, the "**Class C Notes**"; the Class C Notes and the Senior Notes, the "**Notes**").

The Senior Notes are not being offered pursuant to this offering circular (the "**Offering Circular**") and will be fully subscribed by BCC Mortgages PLC, a company incorporated under the laws of the Republic of Ireland (the "**Irish Company**" or "**BCC Mortgages**"). BCC Mortgages will purchase the Senior Notes together with the notes issued by Cassa Centrale Finance S.r.l., a company incorporated under the Securitisation Law and will issue notes to be rated and listed (the "**Investor Notes**"). The Class C Notes are not being offered pursuant to this Offering Circular and will be fully subscribed by the Originators.

This document is issued pursuant to article 2, paragraph 3, of the Securitisation Law and constitutes a prospetto informativo for the Notes in accordance with the Securitisation Law.

The Notes are not listed and are not currently rated.

The net proceeds of the offering of the Notes will be mainly applied by the Issuer to fund the purchase of portfolios of monetary claims (the "**Portfolios**" and the "**Claims**", respectively) arising under residential and commercial mortgage loans executed 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, BCC Sesto San Giovanni, BCC Signa and BCC Suasa, collectively, the "**Originators**").

The Portfolios have been purchased by the Issuer under the terms of twenty-five transfer agreements as between the Issuer and each Originator pursuant to Law 130 on 31 May 2006 (each a "**Transfer Agreement**" and collectively the "**Transfer Agreements**"). The principal source of payment of interest and repayment of principal on the Notes will be collections and recoveries made from or in respect of the Portfolios.

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

The Notes will be subject to mandatory pro-rata redemption in whole or in part on each Payment Date following the expiry of a period of 18 (eighteen) months after the Issue Date ("**Initial Period**"). Unless previously redeemed in accordance with their applicable terms and conditions (the "**Conditions**"), the Senior Notes will be redeemed on the Payment Date falling in March 2038 (the "**Final Maturity Date**"). The Notes of each Class will be redeemed in the manner specified in Condition 6 (Redemption, Purchase and Cancellation). Before the Final Maturity Date the Notes may be redeemed at the option of the Issuer at their Principal Amount Outstanding together with accrued interest to the date fixed for redemption under Condition 6.4 (Optional Redemption).

ARRANGERS

Société Générale
Dated 8 June 2006

ICCREA Banca S.p.A.

ROME:420004368.1
6010-204 AF67

*Interest on the Notes will accrue from 8 June 2006 (the "**Issue Date**") and will be payable on 7 December 2006 (the "**First Payment Date**") and thereafter quarterly in arrears on the day (each a "**Payment Date**") falling two Business Days prior to the 12th day of March, June, September and December in each year or if any 12th day of March, June, September and December is not a day (other than a Saturday or a Sunday) on which banks are open for business in London and Milan 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 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 Issue Date and end on (but exclude) the First Payment Date. The Senior Notes shall bear interest at an annual rate equal to the Euro-Zone Inter-bank offered rate for three month deposits in Euro (the "**Three Month EURIBOR**") (or in the case of the Initial Interest Period, the linear interpolation between the Euro-Zone Inter-bank offered rate ("**Euribor**") for 6 month and 7 month deposits in Euro) plus a margin of (i) 0.16 % per annum in relation to the Class A Notes; and (ii) 0.46 % per annum in relation to the Class B Notes.*

All payments of principal and interest on the Notes will be made free and clear of any withholding or deduction for Italian withholding taxes, subject to the requirements of Legislative Decree No. 239 of 1 April 1996 as amended by Italian Law No. 409 of 23 November 2001 and as subsequently amended and supplemented, unless the Issuer or any other relevant financial intermediary under the same Legislative Decree is required by any applicable law to make such a withholding or deduction. If any withholding tax is applicable to the Notes, payments of interest on, and principal of the Notes will be made subject to such withholding tax, without the Issuer or any other Person being obliged to pay any additional amounts to any holder of Notes of any Class as a consequence.

*The Notes will be held in bearer and dematerialised form on behalf of the beneficial owners as of the Issue Date until redemption or cancellation thereof by Monte Titoli S.p.A. ("**Monte Titoli**") for the account of the relevant Monte Titoli Account Holders (as defined below). The expression "**Monte Titoli Account Holders**" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli and includes any depository banks appointed by Clearstream Banking S. A. ("**Clearstream**") and Euroclear Bank S.A./N.V., as operator of the Euroclear System ("**Euroclear**"). Monte Titoli shall act as depository for Clearstream and Euroclear. The Notes will at all times be evidenced by book-entries in accordance with the provisions of Article 28 of Italian Legislative Decree No. 213 of 24 June 1998 and with Resolution No. 11768 of 23 December 1998 of the Commissione Nazionale per le Società e la Borsa ("**CONSOB**"), as subsequently amended.*

THE PRINCIPAL PARTIES

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.

THE 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**");

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. 8331 ("**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. 7082.1 ("**BCC Credibo**");

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. 8399 ("**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 11, 22063, Cantù (CO), Italy, ABI code n. 8430 ("**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 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. 8551 ("**BCC Fiumicello**");

Banca di Credito Cooperativo di Gaudiano 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 Gaudiano di Lavello**");

Banca di Credito Cooperativo di Macerone Società cooperativa, a bank incorporated in Italy as a società cooperativa, whose registered office is at Macerone di Cesena, via Cesenatico Italy, ABI code n. 8626 ("**BCC Macerone**");

Banca della Marca – Credito Cooperativo – Società Cooperativa, a bank incorporated in Italy as a società cooperativa, whose registered office is at Via 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, 31050 Monastier di Treviso (Italy) ABI code n. 7074 ("**BCC Monastier**");

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. 8673 ("**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. 8704 ("**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. 08356 ("**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. 8747 ("**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 Signa, Piazza Michelacci 6, ABI code n. 8866 ("**BCC Signa**");

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 Perlina 78 (fraz. San Giorgio di Perlina), Fara Vicentino, Italy, ABI code n. 8807 ("**BCC San Giorgio**");

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

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, 31050 Vedelago, ABI code n. 08917 ("**BCC Trevigiano**").

AGENT BANK

Deutsche Bank, London branch, 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 Agent Bank ("**Deutsche Bank, London**").

OPERATING BANK

ICCREA Banca S.p.A., whose registered office is at Via Lucrezia Romana 41-47, Rome, Italy or any other person from time to time acting as Operating Bank ("**ICCREA Banca**"), at which the Transitory Collections and Recoveries Accounts, the Expenses Account and the Quota Capital Account will be held.

TRANSACTION BANK

Deutsche Bank S.p.A., whose registered office is at Piazza del Calendario 3, 20126 Milan, acting through its office located in Via

Santa Sofia 10, 20123 Milan ("**Deutsche Bank, Milan**") or any other person from time to time acting as Transaction Bank, at which the Collections and Recoveries Accounts, the Payments Account, the Principal Accumulation Account, the Principal Amortisation Reserve Accounts, the Reserve Account, the Securities Accounts, the Single Portfolio Reserve Accounts and the Liquidity Reserve Accounts will be held.

ENGLISH TRANSACTION BANK **Deutsche Bank, London**, or any other person from time to time acting as English Transaction Bank, at which the Investment Account will be held.

PRINCIPAL PAYING AGENT **Deutsche Bank, London**, or any other person from time to time acting as Principal Paying Agent.

ITALIAN PAYING AGENT **Deutsche Bank, Milan**, or any other person from time to time acting as Italian Paying Agent.

REPRESENTATIVE OF THE NOTEHOLDERS **Deutsche Trustee Company Limited**, whose registered office is at Winchester House, 1 Great Winchester Street, EC2N 2DB, United Kingdom ("**Deutsche Trustee**") or any other person from time to time acting as Representative of the Noteholders.

ARRANGERS **Société Générale, London**, a company incorporated in France as a *société anonyme*, acting through its London branch located at SG House, 41 Tower Hill, London (United Kingdom) ("**Société Générale**") and **ICCREA Banca**.

SWAP COUNTERPARTY **Société Générale, London**, a company incorporated in France as a *société anonyme*, acting through its London branch located at SG House, 41 Tower Hill, London, EC3N 4SG (United Kingdom), or any other person from time to time acting as Swap Counterparty (the "**Swap Counterparty**").

LIQUIDITY PROVIDERS 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 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, BCC Trevigiano.

SERVICERS BCC Alta Brianza, BCC Alto Reno, BCC Asciano, BCC Bassa Friulana, BCC Credibo, BCC Brendola, BCC Campiglia dei Berici, BCC Cantù, BCC Cartura, BCC Fiumicello, 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 San Giorgio, BCC Sesto San Giovanni, BCC Signa, BCC

Suasa, BCC Trevigiano.

LIMITED RECOURSE LOAN PROVIDERS BCC Alta Brianza, BCC Alto Reno, BCC Asciano, BCC Bassa Friulana, BCC Credibo, BCC Brendola, BCC Campiglia dei Berici, BCC Cantù, BCC Cartura, BCC Fiumicello, 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 San Giorgio, BCC Sesto San Giovanni, BCC Signa, BCC Suasa, BCC Trevigiano.

BACK-UP SERVICER **ICCREA Banca.**

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 Corporate Services Provider.

STICHTING CORPORATE SERVICES PROVIDER **Wilmington Trust SP Services (London) Ltd**, a private limited liability company incorporated under the laws of England, having its registered office in Tower 42, Level 11, 25 Old Broad Street, London EC2N 1HQ, United Kingdom (the "**Stichting Corporate Services Provider**").

CASH MANAGER **Deutsche Bank, London**, or any other person from time to time acting as Cash Manager.

COMPUTATION AGENT **Deutsche Bank, London**, or any other person from time to time acting as Computation Agent.

SECURITY TRUSTEE **Deutsche Trustee**, or any other person from time to time acting as Security Trustee.

QUOTAHOLDERS **Stichting Melograno 3 and Stichting Melograno 4.**

TRANSACTION SUMMARY INFORMATION

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

PRINCIPAL FEATURES OF THE NOTES

TITLE

The Senior Notes will be issued by the Issuer on the Issue Date in the following classes (each a "**Class**"):

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;

The Class C Notes will be issued by the Issuer on the Issue Date in the following series (each a "**Series**"):

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

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

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

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

Euro 684,797 Class C5 Asset Backed Floating Rate Notes due March 2038;

Euro 416,681 Class C6 Asset Backed Floating Rate Notes due March 2038;

Euro 189,192 Class C7 Asset Backed Floating Rate Notes due March 2038;

Euro 504,809 Class C8 Asset Backed Floating Rate Notes due March 2038;

Euro 422,567 Class C9 Asset Backed Floating Rate Notes due March 2038;

Euro 718,090 Class C10 Asset Backed Floating Rate Notes due March 2038;

Euro 241,183 Class C11 Asset Backed Floating Rate Notes due March 2038;

Euro 124,750 Class C12 Asset Backed Floating Rate Notes due March 2038;

Euro 297,187 Class C13 Asset Backed Floating Rate Notes due March 2038;

Euro 1,366,229 Class C14 Asset Backed Floating Rate Notes due March 2038;

Euro 196,554 Class C15 Asset Backed Floating Rate Notes due March 2038;

Euro 583,173 Class C16 Asset Backed Floating Rate Notes due March 2038;

Euro 540,106 Class C17 Asset Backed Floating Rate Notes due March 2038;

Euro 208,202 Class C18 Asset Backed Floating Rate Notes due March 2038;

Euro 385,613 Class C19 Asset Backed Floating Rate Notes due March 2038;

Euro 1,230,192 Class C20 Asset Backed Floating Rate Notes due March 2038;

Euro 356,599 Class C21 Asset Backed Floating Rate Notes due March 2038;

Euro 477,656 Class C22 Asset Backed Floating Rate Notes due March 2038;

Euro 557,942 Class C23 Asset Backed Floating Rate Notes due March 2038;

Euro 285,351 Class C24 Asset Backed Floating Rate Notes due March 2038;

Euro 938,150 Class C25 Asset Backed Floating Rate Notes due March 2038.

The aggregate amount of the Class C Notes will be Euro 11,884,837 (the "**Class C Notes Aggregate Amount**").

ISSUE PRICE

The Notes will be issued at the following percentages of their principal amount:

<i>Class</i>	<i>Issue Price</i>
Class A	100%
Class B	100%
Class C	100%

INTEREST

The rate of interest applicable from time to time in respect of each Class of Senior Notes (the "**Interest Rate**") will be EURIBOR for three month deposits in Euro (the "**Three Month EURIBOR**") (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 Notes; and

0.46% per annum in respect of the Class B Notes.

Interest due on each Series of Class C Notes on each Payment Date will be equal to the relevant Single Series Class C Notes Interest Payment Amount (as defined below) as at such Payment Date.

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 relevant Claims in the immediately preceding Collection Period (excluding Interest Accruals); plus
- (ii) the aggregate of all fees for prepayment paid on the relevant Claims in the immediately preceding Collection Period; plus
- (iii) the aggregate of all interest for late payments (*interessi di mora*) paid on the relevant Claims in the immediately preceding Collection Period; plus
- (iv) all amounts to be received by the Issuer under the Swap Agreement 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 become 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, Fourteen and Fifteen* 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, Thirteen and Fourteen* of the Cross Collateral Order of Priority; minus
- (ix) the Outstanding Balance of all the relevant Claims 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.

PAYMENT DATE

Interest is payable in respect of the Notes, quarterly in arrears in Euro on the day falling two Business Days prior to the Irish Company Payment Dates (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 7 December 2006 (the "**First Payment Date**") and will relate to the period from (and including) the Issue Date to (but excluding) such Payment Date. "**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.

**FORM AND
DENOMINATION**

The Notes will be held in bearer and dematerialised form on behalf of the beneficial owners as of the Issue Date, until redemption or cancellation thereof, by Monte Titoli for the account of the relevant Monte Titoli Account Holder. Monte Titoli shall act as depository for Clearstream and Euroclear. Title to the Notes will be evidenced by book entries in accordance with the provisions of Article 28 of the Italian Legislative Decree No. 213 of 24 June 1998 and CONSOB Resolution No. 11768 of 23 December 1998, as subsequently amended. No physical document of title will be issued in respect of the Notes. The Senior Notes will be issued in denominations of Euro 5,000. Each series of Class C Notes will be issued in denominations of Euro 1.

STATUS

With respect to the obligation of the Issuer to repay principal and to pay interest on the Notes, the Conditions provide that the Class A Notes will rank *pari passu* and without any preference or priority among themselves. The Class B Notes will rank *pari passu* and without any preference or priority among themselves but will be subordinated to the Class A Notes. The Class C Notes of each Series will rank *pari passu* and without any preference or priority among themselves. Principal on each Series of Class C Notes will be reimbursed and interest accrued thereon will be paid out of available funds deriving from collections and recoveries from the relevant Portfolio provided that in case of acceleration of the reimbursement of the Notes, principal on all Series of Class C 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. The Class C Notes shall at all times be subordinated to the Class A Notes and the Class B Notes.

**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 utilised 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.

**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 relevant Principal Amortisation Reserve Account on the immediately preceding Payment Date;

- (vi) the 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 Transaction;
- (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 Outstanding Notes Ratio of all the amounts paid into the Payments Account during the immediately preceding Collection Period;
- (x) 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 utilised 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;
- (xi) 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 standing to the credit of the Reserve Account which were paid out of the relevant 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 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.

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.

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;
- (xi) with respect to Portfolio No. 11, 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 C11 Notes;
- (xii) with respect to Portfolio No. 12, 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 C12 Notes;
- (xiii) with respect to Portfolio No. 13, 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 C13 Notes;

- (xiv) with respect to Portfolio No. 14, 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 C14 Notes; and
- (xv) with respect to Portfolio No. 15, 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 C15 Notes;
- (xvi) with respect to Portfolio No. 16, 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 C16 Notes;
- (xvii) with respect to Portfolio No. 17, 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 C17 Notes;
- (xviii) with respect to Portfolio No. 18, 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 C18 Notes;
- (xix) with respect to Portfolio No. 19, 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 C19 Notes;
- (xx) with respect to Portfolio No. 20, 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 C20 Notes;

- (xxi) with respect to Portfolio No. 21, 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 C21 Notes;
- (xxii) with respect to Portfolio No. 22, 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 C22 Notes;
- (xxiii) with respect to Portfolio No. 23, 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 C23 Notes;
- (xxiv) with respect to Portfolio No. 24 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 C24 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
CLASS A NOTES
PRINCIPAL AMOUNT
OUTSTANDING**

Means, with respect to each Payment Date and to each Portfolio, the difference between:

1. the relevant Single Portfolio Initial Class A Notes Principal Amount Outstanding; and
2. 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
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
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
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 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.

**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.

**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.

**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.

**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
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.

**ACCOUNTS AND
DESCRIPTION OF CASH
FLOWS**

**ACCOUNTS HELD WITH
THE OPERATING BANK**

The Issuer has directed the Operating Bank to establish, maintain and operate the following accounts as separate accounts in the name of the Issuer:

**TRANSITORY
COLLECTIONS AND**

Twenty-five accounts denominated with reference to each Portfolio (each a "**Transitory Collections and Recoveries Account**") (*Conto*

**RECOVERIES
ACCOUNTS**

Incassi e Recupero Transitorio) into which all amounts received or recovered by each Servicer under each relevant Portfolio will be paid within one Business Day following date of receipt; and out of which all amounts standing to the credit of each such account will be transferred to the Collection and Recoveries Account on the 15th and 30th day of each calendar month (except for February in which case the 30th day shall be the 28th) and in any case on the Business Day following the day on which the aggregate balance of all the Transitory Collection and Recoveries Accounts is equal to or greater than Euro 500,000 (five hundred thousand);

EXPENSES ACCOUNT

an account (the "**Expenses Account**") (*Conto Spese*) into which (i) on the Issue Date the Retention Amount shall be paid; and (ii) on each Payment Date during each Interest Period an amount shall be paid from the Payments Account so that the balance standing to the credit of the Expenses Account on such Payment Date is equal to the Retention Amount; and out of which the following expenses shall be paid *pari passu* and *pro rata* (a) any taxes due and payable by the Issuer and any fees, costs and expenses required to be paid in order to preserve the corporate existence of the Issuer or to maintain it in good standing and comply with applicable legislation and regulations; and (b) 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, such amounts to be paid on the account of the Irish Company opened with the Investor Note Agent Bank indicated by the Computation Agent.

**QUOTA CAPITAL
ACCOUNT**

an account (the "**Quota Capital Account**") (*Conto Capitale Sociale*) into which all sums contributed by the Quotaholders as quota capital and any interest thereon will be credited.

**ACCOUNTS HELD WITH
THE TRANSACTION
BANK**

The Issuer has directed the Transaction Bank to establish, maintain and operate the following accounts as separate accounts in the name of the Issuer:

PAYMENTS ACCOUNT

an account (the "**Payments Account**") (*Conto Pagamenti*) into which (i) all amounts received by the Issuer under the Transaction Documents (other than the Claims) will be credited if not credited to other accounts pursuant to the Transaction Documents; (ii) any interest accrued on the Securities in the relevant Securities Account and all the proceeds from the sale or upon maturity of such Securities will be credited from time to time pursuant to the Limited Recourse Loan Agreement (except as otherwise provided in the description of the Securities Account); (iii) all amounts standing to the credit of the Investment Account and in general any sums arising from the liquidation, maturity or disposal of the Eligible Investments (including any profit generated thereby or interest matured thereon) shall be transferred two Business Days prior to each Payment Date; (iv) all

amounts standing to the credit of the Collection and Recoveries Account on each Collection Date, to the extent not credited to the Investment Account, shall be credited two Business Days prior to the following Payment Date; and (v) the proceeds of the issuance of the Notes will be credited on the Issue Date; and *out of which* (i) on the Issue Date the Purchase Price of the Portfolios shall be paid to each of the Originators and the Retention Amount shall be transferred to the Expenses Account; (ii) all the amounts standing to credit thereof will be transferred to the Investment Account one Business Day after each Payment Date and on the Business Day following the 30th day of each calendar month (except for February in which case the 30th day shall be the 28th) if the balance of such account is equal to or higher than Euro 50,000 (fifty thousand); (iii) on each Payment Date all payments of interest and principal on the Notes and any payments to the Other Issuer Creditors and any third party creditors of the Transaction shall be made in accordance with the applicable Order of Priority and the relevant Payment Report (including payments due to the Irish Company as Senior Costs as indicated by the Corporate Servicer Provider to the Computation Agent pursuant to article 1.e) of the Corporate Services Agreement and that shall be made on the account of the Irish Company opened with the Investor Note Agent Bank indicated by the Computation Agent); (iv) all proceeds upon maturity of the Securities or upon sale of the Securities following downgrading of the Republic of Italy below Aa3 by Moody's or below A-1+ by Standard & Poor's will be invested to purchase further Securities as detailed in accordance with Clause 8.6 of the Cash Administration and Agency Agreement;

COLLECTION AND RECOVERIES ACCOUNT

an account (the "**Collection and Recoveries Account**") (*Conto Incassi e Recuperi*) *into which* all amounts standing to the credit of each Transitory Collections and Recoveries Account will be transferred on the 15th and 30th day of each calendar month (except for February in which case the 30th day shall be the 28th) and in any case on the Business Day following the day on which the aggregate balance of all the Transitory Collection and Recoveries Accounts is equal to or greater than Euro 500,000 (five hundred thousand); and *out of which* (i) one Business Day after each Payment Date and on the Business Day following such 30th day of each calendar month (except for February in which case the 30th day shall be the 28th) all amounts credited to such account shall be transferred to the Investment Account; and (ii) two Business Days prior to each Payment Date all amount standing to the credit of such account on the immediately preceding Collection Date shall be transferred to the Payments Account, to the extent not credited to the Investment Account;

SECURITIES ACCOUNTS

Twenty-five securities accounts (each a "**Securities Account**") (*Conto Deposito Titoli*) *into which* (i) the Relevant Securities shall be deposited by each Limited Recourse Loan Provider on or prior to the Issue Date pursuant to the Limited Recourse Loan Agreement; and (ii) the Relevant Securities purchased by the Cash Manager from proceeds upon maturity of the Relevant Securities previously deposited will be

credited pursuant to the Limited Recourse Loan Agreement; and *out of which* (i) any interest accrued on the Relevant Securities and the proceeds from the sale of the Relevant Securities will be transferred from time to time to the Payments Account and (ii) the proceeds of the sale of the Relevant Securities pursuant to clause 4.1 of the Limited Recourse Loan Agreement and article 2.5 of the Liquidity Agreement shall be transferred to the Liquidity Reserve Account or to an account opened by the relevant Limited Recourse Loan Provider, as applicable and in accordance with the Limited Recourse Loan Agreement;

**PRINCIPAL
ACCUMULATION
ACCOUNT**

an account (the "**Principal Accumulation Account**") (*Conto Accumulazione Capitale*) *into which* on each Payment Date prior to the Payment Date falling on December 2007 any amounts payable in respect of 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, if the Pre- Acceleration Order of Priority or the Cross Collateral Order of Priority applies, or in respect of any Available Class A Notes Redemption Funds, Available Class B Notes Redemption Funds and Single Series Available Class C Notes Redemption Funds, if the Acceleration Order of Priority applies, shall be paid; and *out of which* all the amounts standing to the credit thereof will be transferred to the Investment Account on the Business Day following any Payment Date prior to (but excluding) the Payment Date falling on December 2007.

The Issuer may direct the Transaction Bank to establish, maintain and operate the following accounts as separate accounts in the name of the Issuer:

RESERVE ACCOUNT

an account (the "**Reserve Account**") (*Conto di Riserva*) *into which* on each Payment Date following the occurrence of a Detrimental Event, the Reserve Amount shall be paid from the Payments Account; and *out of which* all the amounts standing to the credit thereof will be transferred to the Investment Account on the Business Day following the date on which the relevant amounts shall be credited on such account in accordance with the Conditions.

**SINGLE PORTFOLIO
RESERVE ACCOUNTS**

Twenty-five accounts denominated with reference to each Portfolio (each a "**Single Portfolio Reserve Account**") (*Conto di Riserva Singolo Portafoglio*) *into which* on each Payment Date following the occurrence of a Single Portfolio Detrimental Event with respect to one or more Portfolios, the Single Portfolio Reserve Amount with respect to the relevant Portfolio or Portfolios shall be paid from Payments Account; and *out of which* all the amounts standing to the credit thereof will be transferred to the Investment Account on the Business Day following the date on which the relevant amounts shall be credited on each of such account in accordance with the Conditions;

PRINCIPAL

Twenty-five accounts denominated with reference to each Portfolio

**AMORTISATION
RESERVE ACCOUNTS**

(each a "**Principal Amortisation Reserve Account**") (*Conto di Riserva Ammortamento Capitale*) into which on each Payment Date following the occurrence of a Class A Disequilibrium Event or a Class B Disequilibrium Event with respect to one or more Portfolios the relevant Principal Amortisation Reserve Amount shall be paid from the Payments Account; and out of which all the amounts standing to the credit thereof will be transferred to the Investment Account on the Business Day following the date on which the relevant amounts shall be credited on each of such account in accordance with the Conditions.

**LIQUIDITY RESERVE
ACCOUNTS**

Twenty-five accounts denominated with reference to each relevant Portfolio (each a "**Liquidity Reserve Account**") into which (i) during each Collection Period, where applicable and pursuant to the Liquidity Agreement, any amounts then due shall be paid by the Liquidity Provider or Liquidity Providers as liquidity support; and (ii) the proceeds of the sale of the Securities may be transferred in accordance with the Limited Recourse Loan Agreement; and out of which (i) all the amounts standing to the credit thereof will be transferred to the Investment Account on the Business Day following the date on which the relevant amounts shall be credited on each of such account in accordance with the Conditions; and (ii) in the event of assignment by any Liquidity Provider of its rights and obligations under the Liquidity Agreement pursuant to clause 8 of the Liquidity Agreement, all amounts standing to the credit thereof shall be transferred to the account of the assignee Eligible Institution.

**ACCOUNTS HELD WITH
THE ENGLISH
TRANSACTION BANK**

The Issuer has directed the English Transaction Bank to establish, maintain and operate the following account as separate account in the name of the Issuer:

INVESTMENT ACCOUNT

an account (the "**Investment Account**") into which (i) all the amounts standing to the credit of the Collection and Recoveries Account will be transferred on the Business Day following the 30th day of each calendar month (except for February in which case the 30th day shall be the 28th); (ii) all the amounts standing to credit of the Payments Account will be transferred one Business Day after each Payment Date and on the Business Day following one Business Day after each Payment Date and the 30th day of each calendar month (except for February in which case the 30th day shall be the 28th) if the balance of such account is equal to or higher than Euro 50,000 (fifty thousand); (iii) all the amounts standing to the credit of the Principal Accumulation Account will be transferred on the Business Day following any Payment Date prior to (but excluding) the Payment Date falling in December 2007; (iv) all the amounts standing to the credit of the Reserve Account (if any), the Single Portfolio Reserve Accounts (if any), the Principal Amortisation Reserve Accounts (if any) and the Liquidity Reserve Accounts (if any) will be transferred on the Business Day following the date on which the relevant amounts shall be credited on each of such account in accordance with the Conditions, in each case for the purpose of the investment in

Eligible Investments; and (v) any proceeds upon maturity or any sums arising from the disposal or maturity of the Eligible Investments (including profit generated thereby or interest matured thereon) shall be credited; and *out of which* (i) any amounts standing to the credit thereof shall be credited to the Payments Account two Business Days before each Payment Date; and (ii) all amounts standing to the credit thereof will be applied by the Cash Manager for the purchase of Eligible Investments.

ORDERS OF PRIORITY

PRE-ACCELERATION ORDER OF PRIORITY

The Single Portfolio Available Funds relating to 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 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 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 Investor Notes issuer 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 Transactions 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 relevant 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 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.

**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 relating 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; (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 Investor Notes issuer administrator appointed under the Irish Transaction until the CCF Notes are redeemed in full and 100% (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 swap transactions 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 Transactions 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 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 (*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.

CROSS COLLATERAL ORDER OF PRIORITY

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

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 Investor Notes issuer 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 swap transactions 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%.

TRIGGER EVENTS

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 or 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 or 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 30 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 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 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 or assets of the Issuer;
- (ii) proceedings are initiated against the Issuer under any applicable bankruptcy, liquidation, administration, insolvency, composition, reorganisation or similar laws and proceedings are not, in the opinion of the Representative of the Noteholders, being disputed in good faith;
- (iii) 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;

(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; or

(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 representative of the Noteholders),

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, the CCF Notes representative of the noteholders and the Investor Notes trustee) 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, the CCF Notes representative of the noteholders and the Investor Notes trustee).

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.

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 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 Cross Collateral Order of Priority shall apply without any further action or formality (provided that a Trigger Notice has not been already served).

**CLASS A
DISEQUILIBRIUM
EVENT**

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 *Eleven* 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.

Upon the occurrence of a Class A Disequilibrium Event with respect to one or more Portfolios, (unless a Cross Collateral Notice has been served on the Issuer), the Issuer shall be obliged to pay the relevant Principal Amortisation Reserve Amount into the relevant Principal Amortisation Reserve Account in accordance with the Pre-Acceleration Order of Priority.

**CLASS B
DISEQUILIBRIUM
EVENT**

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 *Thirteen* 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.

Upon the occurrence of a Class B Disequilibrium Event with respect to one or more Portfolios, (unless a Cross Collateral Notice has been served on the Issuer), the Issuer shall be obliged to pay the relevant Principal Amortisation Reserve Amount into the relevant Principal Amortisation Reserve Account in accordance with the Pre-Acceleration Order of Priority.

DETRIMENTAL EVENT

A Detrimental Event shall occur with respect to a Payment Date when the Advances to be made available to the Issuer under the Liquidity Agreement to provide liquidity support with respect to the Portfolios on such Payment Date together with all Advances drawn thereunder on 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) of all the Liquidity Providers.

Upon the occurrence of a Detrimental Event, the Issuer shall be obliged to pay the Reserve Amount into the Reserve Account in accordance with the Pre-Acceleration Order of Priority or the Cross Collateral Order of Priority.

**SINGLE PORTFOLIO
DETRIMENTAL EVENT**

A Single Portfolio Detrimental Event shall occur with respect to a Payment Date and to a Portfolio, when the Advance 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 on which 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.

LIQUIDITY SUPPORT

The Liquidity Agreement will 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 Payment Date for payment of all amounts due to be paid by the Issuer on such Payment Date out of such Single Portfolio Available Funds as follows:

(a) any Advance drawn under the Liquidity Agreement 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.

(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. 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.

In addition, each Liquidity Provider might be called to provide liquidity support in respect of any of the other Portfolios: (i) in the event of a shortfall of the relevant Single Portfolio Available Funds which exceeds the outstanding maximum commitment amount of the Liquidity Provider; or (ii) in the event that such Liquidity Provider defaults under its obligations to give liquidity support to the Issuer.

In the event that any of the Cross Collateral Order of Priority or the Acceleration Order of Priority becomes applicable, the Liquidity Providers will provide liquidity support with respect to the aggregate of all the Portfolios in case of a shortfall of the Issuer Available

Funds (calculated before any advance is drawn) available on any Payment Date for payment of all amounts due to be paid by the Issuer on such Payment Date out of the Issuer Available Funds as follows:

(a) any advance drawn under the 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.

(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), 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 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.

The Senior Notes also benefit from the credit support provided by the Class C Notes. See paragraph "*Status*" above.

In addition, upon notice being given to the Computation Agent from the Investor Notes agent bank that an Irish Company Liquidity Shortfall Event has taken place, the Liquidity Agreement will provide liquidity support to meet 50% (fifty percent.) of the Irish Company Liquidity Shortfall until the CCF Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter.

FINAL REDEMPTION

To the extent not otherwise redeemed, the Senior Notes will be redeemed at their Principal Amount Outstanding on the Payment Date falling on March 2038 and the Class C Notes will be redeemed at their Principal Amount Outstanding on the Payment Date falling on March 2038 (the "**Final Maturity Date**").

The "**Principal Amount Outstanding**" of each of the Notes on any date shall be 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 prior to such date.

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 their 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 there will be sufficient Single Portfolio Available 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.

OPTIONAL REDEMPTION

The Issuer may redeem the Senior 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 (such relevant 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.

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 Notes holders 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.

SALE OF THE PORTFOLIOS

If, in the following circumstances: (i) in the case of Redemption for Taxation pursuant to Condition 6.2; (ii) in the 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 (Trigger Events), if the 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, the Class B Noteholders representing at least 75% of the Principal Amount Outstanding of the Class B Notes, resolve to request the Issuer to sell all but not part of the Portfolios to one or more third parties, the Issuer will be authorised, with the assistance of the Computation Agent and the Representative of the Noteholders, to search for potential purchasers of 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. Should such 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 to payments due to be made by the Issuer according to the Acceleration Order of Priority.

THE PORTFOLIOS

The principal source of payment of interest and principal on the 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 Issuer pursuant to the Transfer Agreements:

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

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

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

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

Portfolio No. 5, the portfolio of Claims which are sold to the Issuer by BCC Credibo;

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

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

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

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

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

Portfolio No. 11, the portfolio of Claims which are sold to the Issuer by BCC Fiumicello;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SEGREGATION OF THE ISSUER'S RIGHTS

The Notes have the benefit of the provisions of Article 3 of Law 130, pursuant to which the Issuer's Rights are segregated by operation of law from the Issuer's other assets. Both before and after a winding-up of the Issuer, amounts deriving from the Issuer's Rights will be available exclusively for the purpose of satisfying the Issuer's obligations to 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 securitisation of the Portfolios and to the corporate existence and good standing of the Issuer.

The Issuer's Rights may not be seized or attached in any form by 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 and to the corporate existence and good standing of the Issuer, until full redemption or cancellation of the Notes and full discharge by the Issuer of its obligations vis-à-vis the Other Issuer Creditors and any such third party.

Pursuant to the terms of the Intercreditor Agreement, the Issuer has granted irrevocable instructions to the Representative of the Noteholders, upon the Notes becoming due and payable following the delivering of a Trigger Notice, to exercise, in the name and on behalf of the Issuer, all the Issuer's rights, powers and discretions under the Transaction Documents and generally to take such actions in the name and on behalf of the Issuer as the Representative of the Noteholders may deem necessary to protect the interests of the

Issuer, the Noteholders and the Other Issuer Creditors in respect of the Issuer's Rights. Such instructions are governed by Italian law.

TAXATION

Payments under the Notes may, in certain circumstances 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 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 Notes, neither the Issuer nor any other Person shall have any obligation to pay any additional amount(s) to any Noteholder of any Class.

GOVERNING LAW

The Notes will be governed by Italian law.

TRANSACTION DOCUMENTS

THE TRANSFER AGREEMENTS

Pursuant to twenty-five transfer agreements entered into on 31 May 2006 each between the Issuer and each Originator (each a "**Transfer Agreement**"), the Originators sold to the 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 originated by the Originators, which met certain objective criteria.

THE WARRANTY AND INDEMNITY AGREEMENT

Pursuant to a warranty and indemnity agreement entered into on 31 May 2006 between the Issuer and the Originators (the "**Warranty and Indemnity Agreement**"), each of the Originators gave certain representations and warranties to the Issuer with regards to, *inter alia*, the monetary claims and connected rights which it sold to the Issuer, its full title over them, its corporate existence and operations, its collection and recovery policy, the Mortgage Loans, the Real Estate Assets securing the same. Each Originator furthermore agrees to indemnify and hold harmless the 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 Originator under the Warranty and Indemnity Agreement and/or the relevant Transfer Agreement and/or the Servicing Agreement.

THE SERVICING AGREEMENT

Pursuant to a servicing agreement entered into on 31 May 2006 between the Issuer and the Originators (the "**Servicing Agreement**"), the Issuer appointed each Originator as servicer (in such capacity a "**Servicer**" and collectively with all other servicers, the "**Servicers**") to provide the Issuer with administration, collection

and recovery services in respect of the relevant Portfolio and to verify, among other things, that the payment services to be provided under the Cash Administration and Agency Agreement comply with Italian law. Under a further servicing agreement between the Issuer, ICCREA Banca and the Servicers (the "**Back-up Servicing Agreement**") entered into on or prior to Issue Date, ICCREA Banca has agreed that, should any of the 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 Servicing Agreement.

THE CASH ADMINISTRATION AND AGENCY AGREEMENT

Pursuant to a cash administration and agency agreement to be entered into on or prior to the Issue Date (the "**Cash Administration and Agency Agreement**"), the Issuer shall appoint, among others: (i) Deutsche Bank, London, as Computation Agent, Principal Paying Agent, Agent Bank, Cash Manager and English Transaction Bank; (ii) Deutsche Bank, Milan as Transaction Bank and Italian Paying Agent; and (iii) ICCREA Banca as Operating Bank. Under the Cash Administration and Agency Agreement: (i) the Principal Paying Agent and the Italian Paying Agent will perform 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 will calculate the amount of interest payable on the Senior Notes; (iii) the Computation Agent will provide the Issuer and the Investor Notes agent bank with other calculations in respect of the Notes and to set out, in a payment report (the "**Payment Report**"), the payments due to be made, *inter alia*, under the Notes on each Payment Date; and (iv) the Operating Bank, the Transaction Bank, the English Transaction Bank and the 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.

THE LIQUIDITY AGREEMENT

Pursuant to a liquidity agreement to be entered into on or about the Issue Date (the "**Liquidity Agreement**") between the Issuer and each Originator as a Liquidity Provider, the Liquidity Providers shall make available to the Issuer revolving liquidity facilities in the aggregate maximum amount of Euro 24,600,000 (the "**Maximum Commitment Amount**") divided as follow between the BCC Alta Brianza, Euro 705,000; BCC Alto Reno, Euro 530,000; BCC Asciano, Euro 450,000; BCC Bassa Friulana, Euro 629,000; BCC Credibo, Euro 1,370,000; BCC Brendola, Euro 820,000; BCC Campiglia dei Berici, Euro 375,000; BCC Cantù, Euro 995,000; BCC Cartura, Euro 835,000; BCC San Giorgio, Euro 1.485.000; BCC Fiumicello, Euro 507.000; BCC Gaudiano di Lavello, Euro 240.000; BCC Macerone, Euro 580.000; BCC Marca, Euro 3.273.000; BCC Metauro, Euro 388.000; BCC Monastier e del Sile,

Euro 1.230.000; BCC Monteriggioni, Euro 1.350.000; BCC Ostra e Morro d'Alba, Euro 423.000; BCC Pergola, Euro 772.000; BCC Pordenonese, Euro 2.450.000; BCC Pratola Peligna, Euro 705.000; BCC Sesto San Giovanni, Euro 968.000; BCC Signa, Euro 1.100.000; BCC Suasa, Euro 560.000; and BCC Trevigiano, Euro 1.860.000, each a "**Single Provider Maximum Commitment Amount**".

The Liquidity Agreement may be used by the Issuer in the event of a shortfall of the relevant Single Portfolio Available Funds (calculated before an advance is drawn under the Liquidity Agreement) available on any Payment Date for application in or towards payment of all amounts due to be paid by the Issuer on such Payment Date out of such Single Portfolio Available Funds under items (i) *First, Second and Fourth to Fifteenth* of the Pre-Acceleration Order of Priority; (ii) *First, Second and Fifth to Thirteenth* of the Cross-Collateral Order of Priority; and (iii) *First, Second and Fifth to Fourteenth* of the Acceleration Order of Priority.

In addition, upon notice being given to the Computation Agent from the Investor Notes agent bank that an Irish Company Liquidity Shortfall Event has taken place, the Liquidity Agreement will provide liquidity support to meet 50% (fifty percent.) of the Irish Company Liquidity Shortfall until the CCF Notes are redeemed in full and 100% (one hundred percent.) of such amounts thereafter.

The obligation of the Issuer to pay interest and reimburse the principal amounts outstanding under the Liquidity Agreement to each of the Liquidity Providers will be limited recourse to the relevant Single Portfolio Available Funds, or in the event that the Cross Collateral Order of Priority or the Acceleration Order of Priority becomes applicable, to the Issuer Available Funds (together with the obligation to pay interest and repay the principal amounts outstanding under the Liquidity Agreement to the other Liquidity Providers).

LIMITED RECOURSE LOAN AGREEMENT

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

The Limited Recourse Loan may be used by the Issuer as an alternative to the facility granted under the Liquidity Agreement, where the Issuer Available Funds or the Single Portfolio Available Funds, as applicable, are not sufficient to enable the Issuer to meet

its payment obligations to the Senior Noteholders and to cover the costs relating to the Transaction which rank in priority to the Senior Noteholders pursuant to the applicable Order of Priority and specifically the costs that should have been paid through the facility granted under the Liquidity Agreement. The Securities credited by each Limited Recourse Loan Provider may be sold and the relevant proceeds used on each Payment Date only in an amount equal to the Advances that should be paid by it in its capacity as Liquidity Provider on the same Payment Date and provided that: 1) such Liquidity Provider has not notified in writing its intention to pay the owed Advances, and 2) such Liquidity Provider has not provided the owed Advances in accordance with the terms and conditions of the Liquidity Agreement. After an amount of Securities being used on a Payment Date, the obligation of the relevant Liquidity Provider to provide Advances under the Liquidity Agreement shall be extinguished for a corresponding amount.

THE INTERCREDITOR AGREEMENT

Pursuant to 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 Security Trustee, the Corporate Services Provider, the Agent Bank, the Transaction Bank, the English Transaction Bank, the Operating Bank, the Computation Agent, the Servicers, the Back-up Servicer, the Swap Counterparty, the Paying Agents, the Liquidity Providers, the Irish Company, the Limited Recourse Loan Providers, the Stichtingen Corporate Services Provider, the Cash Manager and the Originators, 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 Issuer following the occurrence of a Trigger Event, all the Issuer Available Funds will be applied in or towards satisfaction of the Issuer's payment obligations towards the Noteholders as well as the Other Issuer Creditors, in accordance with the Acceleration Order of Priority provided in the Intercreditor Agreement.

THE DEED OF PLEDGE

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)** upon occurrence of a Trigger Event, 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.

THE DEED OF CHARGE

Pursuant to a deed of charge governed by English Law and to be entered into by the Issuer on or about 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.

THE CORPORATE SERVICES AGREEMENT

Pursuant to a corporate services agreement to be entered into on or prior to the Issue Date between the Issuer and the Corporate Services Provider (the "**Corporate Services Agreement**"), the Corporate Services Provider will provide the Issuer with certain corporate administration and management services.

THE SENIOR NOTES SUBSCRIPTION AGREEMENT

Pursuant to a subscription agreement to be entered into on or prior to the Issue Date, between the Issuer, the Representative of the Noteholders, the Originators and the Irish Company (the "**Senior Notes Subscription Agreement**"), the Irish Company shall subscribe for the Senior Notes and pay the Issuer the Issue Price for the Senior Notes on the Issue Date and will appoint the Representative of the Noteholders to act as the representative of the Senior Noteholder, subject to the conditions set out therein.

THE CLASS C NOTES SUBSCRIPTION AGREEMENT

Pursuant to a subscription agreement to be entered into on or prior to the Issue Date between the Issuer, the Originators and the Representative of the Noteholders (the "**Class C Notes Subscription Agreement**"), 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 10 Notes, BCC Fiumicello shall subscribe and pay for the Class 11 Notes, BCC Gaudiano di Lavello shall subscribe and pay for the Class 12 Notes, BCC Macerone shall subscribe and pay for the Class 13 Notes, BCC Marca shall subscribe and pay for the Class 14 Notes, BCC Metauro

shall subscribe and pay for the Class 15 Notes, BCC Monastier e del Sile shall subscribe and pay for the Class 16 Notes, BCC Monteriggioni shall subscribe and pay for the Class 17 Notes, BCC Ostra e Morro d'Alba shall subscribe and pay for the Class 18 Notes, BCC Pergola shall subscribe and pay for the Class 19 Notes, BCC Pordenonese shall subscribe and pay for the Class 20 Notes, BCC Pratola Peligna shall subscribe and pay for the Class 21 Notes, BCC Sesto San Giovanni shall subscribe and pay for the Class 22 Notes, BCC Signa shall subscribe and pay for the Class 23 Notes, BCC Suasa shall subscribe and pay for the Class 24 Notes and BCC Trevigiano shall subscribe and pay for the Class 25 Notes. Furthermore, each of the Originators will appoint the Representative of the Noteholders to act as the representative of each relevant Class C Noteholder and collectively of the Class C Noteholders.

THE QUOTAHOLDERS' AGREEMENT

Pursuant to the terms of a quotaholders' agreement to be entered into on or prior to the Issue Date between the Quotaholders, the Issuer and the Representative of the Noteholders (the "**Quotaholders Agreement**"), certain rules shall be set out in relation to the corporate governance of the Issuer.

THE SWAP AGREEMENT

In order to hedge the interest rate exposure of the Issuer in relation to its floating rate obligations under the Senior Notes, the Issuer will enter into two swap transactions (each a "**Swap Transaction**" and together the "**Swap Transactions**") with a Swap Counterparty in each case on or prior to the Issue Date. Such 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 Swap Transaction will be documented pursuant to a swap confirmation (each a "**Swap Confirmation**" and together with the Master Agreement, the "**Swap Agreement**").

GOVERNING LAW

All the Transaction Documents are or will be governed by Italian Law, with the exception of the Swap Agreement, and the Deed of Charge which shall be 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 will be governed by Dutch Law.

THE PORTFOLIOS

The Portfolios purchased by the Issuer 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.

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 Valuation Date, as well as on the basis of further specific objective criteria (the "**Specific Criteria**") as set out for each Originator below, in order to ensure that the Claims have the same legal and financial characteristics. 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) Each Mortgage Loan is due to be repaid in full on or before 31 December 2030;
- g) 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*");
- h) No Mortgage Loan has been granted to any employee of the relevant Originator;
- i) 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*);
- j) 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;
- k) Mortgage Loans completely issued 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;
- l) 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;

- m) Each Mortgage Loan not providing repayment instalments and on each relevant execution date it was not provided that the last instalment is not higher than any previous instalment;
- n) Mortgage Loans in relation to which at least one installment has been paid.

The Specific Criteria are as follows:

BCC Alta Brianza represented and warranted that the Claims it has transferred to the Issuer pursuant to the relevant Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the 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-beneficiary are shareholders of the Originator.

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

- a) Mortgage Loans whose principal amount granted as at the date on which the Agreement 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 Issuer pursuant to the relevant Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the Valuation Date:

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

BCC Bassa Friulana represented and warranted that the Claims it has transferred to the Issuer pursuant to the relevant Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the 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 Brendola represented and warranted that the Claims it has transferred to the Issuer pursuant to the relevant Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the 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 point or lower or equal to 135;
- g) Mortgage Loans granted only to Italian residents.

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

- a) Mortgage Loans which qualify as "*Fondiari*" 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 Issuer pursuant to the relevant Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the 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 Credibo represented and warranted that the Claims it has transferred to the Issuer pursuant to the relevant Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the 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 Fiumicello represented and warranted that the Claims it has transferred to the Issuer pursuant to the relevant Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the 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;
- l) no mortgage loans having the following reference numbers: 1/31308; 1/30682; 1/30464.

BCC Gaudio di Lavello represented and warranted that the Claims it has transferred to the Issuer pursuant to the relevant Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the 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 Issuer pursuant to the relevant Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the 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 Issuer pursuant to the relevant Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the 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 Valuation Date (included), 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 semiannually 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 Issuer pursuant to the relevant Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the 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 Issuer pursuant to the relevant Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the 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 Issuer pursuant to the relevant Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the 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 months 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 Issuer pursuant to the relevant Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the 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 Issuer pursuant to the relevant Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the 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 Issuer pursuant to the relevant Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the 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 Issuer pursuant to the relevant Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the 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 San Giorgio represented and warranted that the Claims it has transferred to the Issuer pursuant to the relevant Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the 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 Sesto San Giovanni represented and warranted that the Claims it has transferred to the Issuer pursuant to the relevant Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the 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 Issuer pursuant to the relevant Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the 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 Issuer pursuant to the relevant Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the 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 Issuer pursuant to the relevant Transfer Agreement have also been selected on the basis of the following Specific Criteria as at the 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;
- d) Mortgage Loans in relation to which payments are made exclusively by direct permanent debit on an account held by the relevant Originator;
- e) Mortgage Loans with a spread higher than 1%;
- f) Mortgage Loans with no cap but with a floor in favour of the Originator;
- g) Mortgage Loans granted to either shareholders and non shareholders of the Originator;
- h) Mortgage Loans whose principal outstanding is lower or equal than Euro 500,000.

COLLECTION POLICY AND RECOVERY PROCEDURES

A. COMMON ASPECTS

Credit Policy

Although each BCC 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 25 (twenty-five) BCCs.

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

- a general preliminary phase;
- a specific origination phase;
- an administrative phase; and
- 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 BCC.

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:

- analysis of the banking relationship with the customer;
- analysis of the customer's assets and its financial situation;
- analysis of the business sector in which the customer operates;
- analysis of the guarantees given by the customer and analyses if they are appropriate for the loan required;
- 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 BCC'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 BCC'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 BCCs 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.

Risk Management

With regards to the risk management policy, the paragraphs concerning the characteristics of the 25 (twenty-five) BCCs 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 BCC 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 BCCs 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 BCCs 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 BCCs 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:

- "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;
- "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;
- "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.

Credit Recovery Policy

The credit recovery activities of all the BCC'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 Notes, being Euro 599,869,837 of which Euro 563,985,000 of the Class A Notes, Euro 24,000,000 of the Class B Notes and Euro 11,884,837 of the Class C Notes, will be applied by the Issuer on the Issue Date to finance the Purchase Price of the Portfolios and to pay the Retention Amount into the Expenses Account.

WEIGHTED AVERAGE LIFE OF THE SENIOR NOTES

Under the Conditions, the Final Maturity Date of the Senior Notes is the Payment Date falling in March 2038 and the Senior Notes will be subject to mandatory redemption in full or in part on the Payment Date falling on December 2006 and on each Payment Date thereafter to the extent that on such Payment Date the Issuer has sufficient available funds to be applied for this purpose in accordance with the applicable Order of Priority. The Senior Notes may also be subject to optional redemption in full under certain circumstances.

Under the Conditions, the Final Maturity Date of the Senior Notes is the Payment Date falling in March 2038 and the Senior Notes will be subject to mandatory redemption in full or in part on the Payment Date falling on December 2006 and on each Payment Date thereafter to the extent that on such Payment Date the Issuer has sufficient available funds to be applied for this purpose in accordance with the applicable Order of Priority. The Senior Notes may also be subject to optional redemption in full under certain circumstances.

On the basis of the following assumptions:

- the Issuer exercises its option to redeem the Senior notes pursuant to Condition 6;
- there are no delinquencies nor default in respect of the Portfolio
- no Trigger Event nor redemption for taxation is occurred;
- the Constant Prepayment Rate is equal to 5% per annum,

the estimated weighted average life of the Class A Notes is expected to be 5.7 years and the estimated weighted average life of the Class B Notes is expected to be 13.4 years

The base case assumption above reflects the current expectations of the Issuer but no assurance can be given that the redemption of the Senior 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 Senior Notes is subject to factors that are largely out of the control of the 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 NOTES

*The following is the entire text of the terms and conditions of the Class A Notes, the Class B Notes and the Class C Notes (as defined below) (the "**Conditions**"). In these Conditions, 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, 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. The Noteholders are deemed to have notice of and are bound by, and shall have the benefit of, inter alia, the terms of the Rules of the Organisation of Noteholders (as defined below).*

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 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**"), 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 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, 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 Gaudio 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
- (i) 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 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
- (i) 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;

- xx) with respect to Portfolio No. 20, 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 C20 Notes,
- xxi) with respect to Portfolio No. 21, 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 C21 Notes,
- xxii) with respect to Portfolio No. 22, 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 C22 Notes,
- xxiii) with respect to Portfolio No. 23, 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 C23 Notes,
- xxiv) with respect to Portfolio No. 24, 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 C24 Notes, and
- 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 Gaudiano 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 subdivision 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.

EXHIBIT 1

RULES OF THE ORGANISATION OF THE NOTEHOLDERS

TITLE I - GENERAL PROVISIONS

Article 1 (*General*)

The Organisation of the Noteholders is created by the issue and by the subscription of the Notes, and shall remain in force and in effect until full repayment or cancellation of the Class A Notes, the Class B Notes and the Class C Notes.

The contents of these Rules are considered included in each Note issued by the Issuer.

Article 2 (*Definitions*)

In these Rules, the following expressions have the following meanings:

"**Arbitration Panel**" means the arbitration panel as set forth in Article 32.

"**Basic Terms Modification**" means:

1. the modification of the date of maturity of the relevant Class of Notes;
2. a modification which would have the effect of postponing any day for payment of interest thereon;
3. a modification which would have the effect of reducing or cancelling the amount of principal payable in respect of a Class of Notes or the rate of interest applicable in respect of a Class of Notes;
4. a modification which would have the effect of altering the majority of votes required to pass a specific resolution or the quorum required at any meeting;
5. a modification which would have the effect of altering the currency of payment of the relevant Class of Notes or any alteration of the date of redemption or priority of a Class of Notes;
6. a modification which would have the effect of altering the authorisation or consent by the Senior Noteholders, as pledgee, to applications of funds as provided for in the Transaction Documents;
7. the appointment and removal of the Representative of the Noteholders;
8. an amendment of this definition.

"**Block Voting Instruction**" means, in relation to any Meeting, a document:

- (1) certifying that certain specified Notes (the "**Blocked Notes**") have been blocked in an account with a clearing system or a depository, as the case may be, and will not be released until the conclusion of the Meeting;
- (2) certifying that the holder of each Blocked Note or a duly authorised person on its behalf has instructed the relevant Principal Paying Agent and Italian Paying Agent that the votes

attributable to such Blocked Note are to be cast in a particular way on each resolution to be put to the Meeting and that, during the period of 48 hours before the time fixed for the Meeting, such instructions may not be amended or revoked;

- (3) listing the total number of the Blocked Notes, distinguishing for each resolution between those in respect of which instructions have been given to vote for, or against, the resolution; and
- (4) authorising a named individual or individuals to vote in respect of the Blocked Notes in accordance with such instructions.

"Business" means, in relation to any Meeting, the matters to be proposed to a vote of the Noteholders at the Meeting including (without limitation) the passing or rejection of any resolution.

"Chairman" means, in relation to any Meeting, the individual who takes the chair in accordance with Article 9 of these Rules.

"Class A Noteholders" means the holders of the Class A Notes.

"Class B Noteholders" means the holders of the Class B Notes.

"Class C Noteholders" means the holders of the Class C Notes.

"Class of Notes" means the Class A Notes, the Class B Notes or the Class C Notes.

"Conditions" means the terms and conditions of the Class A Notes, the Class B Notes or the Class C Notes as the context may require and any Collection to a numbered relevant.

"Condition" is to the corresponding numbered provision thereof.

"Extraordinary Resolution" means a resolution of the Meeting of the Relevant Class Noteholders in relation to the matters specified under Article 20 of these Rules, duly convened and held in accordance with the provisions of these Rules.

"Issuer" means Credico Finance 6 S.r.l..

"Italian Paying Agent" means Deutsche Bank S.p.A. in its capacity as Italian paying agent pursuant to the Cash Administration and Agency Agreement and its permitted successors or assignees from time to time.

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

"Notes" and **"Noteholders"** mean:

- a) in connection with a Meeting of Class A Noteholders, Class A Notes and Class A Noteholders respectively;
- b) in connection with a Meeting of Class B Noteholders, Class B Notes and Class B Noteholders respectively;
- c) in connection with a Meeting of Class C Noteholders, Class C Notes and Class C Noteholders respectively;

- d) and otherwise, in the case of a joint Meeting of more than one Class, any or all of the Class A Notes, the Class B Notes and the Class C Notes and any or all of the Class A Noteholders, the Class B Noteholders and the Class C Noteholders, respectively.

"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 association.

"Principal Paying Agent" means Deutsche Bank AG London in its capacity as principal paying agent pursuant to the Cash Administration and Agency Agreement and its permitted successors or assignees from time to time.

"Proxy" means, in relation to any Meeting, a person appointed to vote under a Block Voting Instruction.

"Relevant Class Noteholders" means the Class A Noteholders, the Class B Noteholders or the Class C Noteholders, as the context may require.

"Relevant Fraction" means:

- i. for all business other than voting on an Extraordinary Resolution: (a) in case of a meeting of a particular Class of the Notes, one-fifth of the Principal Amount Outstanding of the outstanding Notes in that Class; or (b) in case of a joint meeting of more than one Class of Notes, one-fifth of the Principal Amount Outstanding of the outstanding Notes of such Classes;
- ii. for voting on any Extraordinary Resolution other than one relating to a Basic Terms Modification: (a) in case of a meeting of a particular Class of the Notes, two-thirds of the Principal Amount Outstanding of the outstanding Notes in that Class; or (b) in case of a joint meeting of more than one Class of Notes, two-thirds of the Principal Amount Outstanding of the outstanding Notes of such Classes; and
- iii. for voting on any Extraordinary Resolution relating to a Basic Terms Modification, which must be proposed separately to each Class of Noteholders, three-quarters of the Principal Amount Outstanding of the outstanding Notes in that Class;

provided, however, that, in the case of a Meeting which has resumed after adjournment for want of a quorum, it means:

- (1) for all business other than voting on an Extraordinary Resolution: (a) in case of a meeting of a particular Class of the Notes, one-tenth of the Principal Amount Outstanding of the outstanding Notes in that Class; or (b) in case of a joint meeting of more than one Class of Notes, one-tenth of the Principal Amount Outstanding of the outstanding Notes of such Classes;
- (2) for voting on an Extraordinary Resolution other than one relating to a Basic Terms Modification: (a) in case of a meeting of a particular Class of the Notes, more than one-third of the Principal Amount Outstanding of the outstanding Notes in that Class; or (b) in case of a joint meeting of more than one Class of Notes, more than one-third of the Principal Amount Outstanding of the outstanding Notes of such Classes; and
- (3) for voting on any Extraordinary Resolution relating to a Basic Terms Modification, which must be proposed separately to each Class of Noteholders, more than fifty per cent. (50%) of the Principal Amount Outstanding of the outstanding Notes in that Class.

"Representative of the Noteholders" means Deutsche Trustee Company Limited, in its capacity as representative of the Noteholders, which expression shall include its successors and any further or other representative of the Noteholders appointed pursuant to the Subscription Agreements and the Rules of the Organisation of the Noteholders.

"Rules" means these Rules of the Organisation of the Noteholders.

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

"Secured Parties" means the beneficiaries of the Security Documents.

"Senior Noteholders" means the Class A Noteholders and the Class B Noteholders.

"Senior Notes" means Class A Notes and the Class B Notes.

"Specified Office" means the office of the Italian Paying Agent located at Viale Legioni Romane, 27, Milan, Italy.

"Voter" means, in relation to any Meeting, the holder of a Blocked Note.

"Voting Certificate" means, in relation to any Meeting, a certificate issued by the Italian Paying Agent and dated in which it is stated:

- (i) that the Blocked Notes have been blocked in an account with a clearing system or the depository, as the case may be, and will not be released until the conclusion of the Meeting; and
- (2) that the bearer of such certificate is entitled to attend and vote at the Meeting in respect of the Blocked Notes.

"Written Resolution" means a resolution in writing signed by or on behalf of the Noteholders who for the time being are entitled to receive notice of a Meeting in accordance with the provisions of these Rules, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such Noteholders.

"24 hours" means a period of 24 hours including all or part of a day upon which banks are open for business in both the places where the Meeting is to be held and in each of the places where the Italian Paying Agent has its Specified Office (disregarding for this purpose the day upon which such Meeting is to be held) and such period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of a day upon which banks are open for business as aforesaid.

"48 hours" means 2 consecutive periods of 24 hours.

Other defined terms and expressions shall have the meaning given to them in the Conditions.

Article 3 (*Organisation purpose*)

Each Class A Noteholder, Class B Noteholder and Class C Noteholder is a member of the Organisation of Noteholders.

The purpose of the Organisation of Noteholders is to coordinate the exercise of the rights of the Noteholders and, more in general, the taking of any action for the protection of their interests.

In these Rules, any reference to Noteholders shall be considered as a reference as the case may be, to the Class A Noteholders, the Class B Noteholders and/or the Class C Noteholders or, where the context requires, a reference to the Class A Noteholders, the Class B Noteholders and the Class C Noteholders collectively.

TITLE II - THE MEETING OF NOTEHOLDERS

Article 4 (*General*)

Subject to Article 20 below, any resolution passed at a Meeting of the Relevant Class of Noteholders duly convened and held in accordance with these Rules shall be binding upon all the Noteholders of such Class whether present or not present at such Meeting and whether voting or not voting, and

- (1) any resolution passed at a meeting of the Class A Noteholders duly convened and held as aforesaid shall also be binding upon all the Class B Noteholders and the Class C Noteholders; and
- (2) any resolution passed at a meeting of the Class B Noteholders duly convened and held as aforesaid shall also be binding upon all the Class C Noteholders;
- (3) in each of the above cases, all the relevant Classes of Noteholders shall be bound to give effect to any such resolution accordingly and the passing of any such resolution shall be conclusive evidence that the circumstances justify the passing thereof.

Notice of the result of every vote on a resolution duly passed by the Noteholders shall be published, at the expense of the Issuer, in accordance with the Conditions and given to the Italian Paying Agent (with a copy to the Issuer and the Representative of the Noteholders) within 14 days of the conclusion of the Meeting.

Subject to the provisions of these Rules and the Conditions, joint meetings of the Class A Noteholders, the Class B Noteholders and the Class C Noteholders may be held to consider the same resolution and/or, as the case may be, the same Extraordinary Resolution (other than an Extraordinary Resolution relating to a Basic Terms Modification) and the provisions of these Rules shall apply *mutatis mutandis* thereto.

The following provisions shall apply where outstanding Notes belong to more than one Class:

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

Noteholders of any other Class of Notes shall be transacted at separate Meetings of the Noteholders of each such Class;

- (iv) in case of separate Meetings of the holders of each Class of Notes, these Rules shall be applied as if references to the Notes and the Noteholders are to the Notes of the relevant Class and to the holders of such Notes; and in the case of a joint meeting of the Noteholders of more than one Class, as if references to the Notes and the Noteholders are to the Notes of the relevant Classes and to the holders of the Notes of such Classes.

Article 5 (*Voting Certificates and Block Voting Instructions*)

Noteholders may obtain a Voting Certificate from the Italian Paying Agent or require the Italian Paying Agent to issue a Block Voting Instruction by arranging for such Note to be blocked in an account with a clearing system or a depository, as the case may be, not less than 48 hours before the time fixed for a Meeting, providing to the Italian Paying Agent, where appropriate, evidence that the Notes are so blocked. In the case of the Senior Notes, Noteholders may obtain such evidence by requesting their Monte Titoli Account Holders to release a certificate in accordance with Article 34 of CONSOB Regulation 11768 of 23 December 1998 (as subsequently amended and supplemented). A Voting Certificate or Block Voting Instruction shall be valid until the release of the Blocked Notes to which it relates. So long as a Voting Certificate or Block Voting Instruction is valid, the bearer thereof (in the case of a Voting Certificate) or any Proxy named therein (in the case of a Block Voting Instruction) shall be deemed to be the holder of the Blocked Notes to which it relates for all purposes in connection with the Meeting. A Voting Certificate and a Block Voting Instruction cannot be outstanding simultaneously in respect of the same Note.

Article 6 (*Validity of Block Voting Instructions*)

A Block Voting Instruction shall be valid only if it is deposited at the Specified Office of the Italian Paying Agent, or at some other place approved by the Italian Paying Agent, at least 24 hours before the time fixed for a Meeting and if not deposited before such deadline, the Block Voting Instruction shall not be valid unless the Chairman decides otherwise before the Meeting proceeds to Business. If the Italian Paying Agent requires, a notarised copy of each Block Voting Instruction and satisfactory proof of the identity of each Proxy named therein shall be produced at the Meeting, but the Italian Paying Agent shall not be obliged to investigate the validity of any Block Voting Instruction or the authority of any Proxy.

Article 7 (*Convening of Meeting*)

The Issuer and the Representative of the Noteholders may convene a Meeting at any time, and shall be obliged to do so upon the request in writing of Noteholders holding not less than one-twentieth of the Principal Amount Outstanding of the outstanding Notes of the Class or Classes in respect of which the Meeting is being convened. If the Issuer fails to take the necessary action to convene a Meeting when obliged to do so, the Meeting may be convened by the Representative of the Noteholders acting solely.

Whenever the Issuer is about to convene any such Meeting, it shall immediately give notice in writing to the Representative of the Noteholders of the day, time and place thereof and of the nature of the business to be transacted thereat. Every such Meeting shall be held at such place as the Representative of the Noteholders may designate or approve.

Article 8 (*Notice*)

At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be held) specifying the date, time and place of the Meeting shall be given to the relevant

Noteholders and the Italian Paying Agent (with a copy to the Issuer and to the Representative of the Noteholders), and published in accordance with Condition 14 (*Notices*) at least 15 days before the date of the Meeting. The notice shall set forth the full text of any resolutions to be proposed and shall state that the Notes may be deposited with, or to the order of, the Italian Paying Agent for the purpose of obtaining Voting Certificates or appointing Proxies not later than 48 hours before the time fixed for the Meeting.

Article 9 (*Chairman of the Meeting*)

An individual (who may, but need not, be a Noteholder) nominated in writing by the Representative of the Noteholders may take the chair at any Meeting but: (i) if no such nomination is made; (ii) if the individual nominated is not present within 15 minutes after the time fixed for the Meeting; or (iii) the Meeting resolves not to approve the appointment made by the Representative of the Noteholders, those present shall elect one of themselves to take the chair failing which the Issuer may appoint a Chairman.

The Chairman of an adjourned Meeting need not be the same person as the Chairman of the original Meeting.

The Chairman verifies that the Meeting is duly held, coordinates matters to be transacted at the Meeting and monitors the fairness of the Meeting's proceedings.

Article 10 (*Quorum*)

The quorum at any Meeting shall be at least one or more Voters representing or holding not less than the Relevant Fraction of the aggregate Principal Amount Outstanding of the outstanding Notes of the relevant Class or Classes.

Article 11 (*Adjournment for want of quorum*)

If within 15 minutes after the time fixed for any Meeting a quorum is not present, then it shall be adjourned for such period (which shall be not less than 14 days and not more than 42 days) and at such place as the Chairman determines; provided, however, that no Meeting may be adjourned more than once by resolution of Meeting that represents less than a Relevant Fraction applicable in the case of Meetings which have been resumed after adjournment. Notice shall be published in accordance with Condition 14 (*Notices*) of the relevant Class of Notes not more than 8 days before the date of the meeting.

Article 12 (*Adjourned Meeting*)

The Chairman may, with the consent of (and shall if directed by) any Meeting, adjourn such Meeting from time to time and from place to place, *provided that* no business shall be transacted at any adjourned Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place.

Article 13 (*Notice following adjournment*)

Article 8 shall apply to any Meeting which is to be resumed after adjournment save that:

- a) 8 days' notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be resumed) shall be sufficient; and
- b) the notice shall specifically set forth the quorum requirements which will apply when the Meeting resumes.

It shall not be necessary to give notice of the resumption of a Meeting which has been adjourned for any other reason.

Article 14 (*Participation*)

The following may attend and speak at a Meeting:

- (a) Voters;
- (b) the Issuer or its representatives and the Italian Paying Agent;
- (c) the statutory auditors (if any) and the financial advisers to the Issuer;
- (d) the Representative of the Noteholders;
- (e) the legal counsel to the Issuer, the Representative of the Noteholders and the Italian Paying Agent; and
- (f) such other person as may be resolved by the Meeting.

Article 15 (*Show of hands*)

Every question submitted to a Meeting shall be decided in the first instance by a show of hands. Unless a poll is validly demanded before or at the time that the result is declared, the Chairman's declaration that on a show of hands a resolution has been passed, passed by a particular majority, rejected or rejected by a particular majority shall be conclusive, without proof of the number of votes cast for, or against, the resolution.

Article 16 (*Poll*)

A demand for a poll shall be valid if it is made by the Chairman, the Issuer, the Representative of the Noteholders or one or more Voters representing or holding not less than ten (10) Notes. The poll may be taken immediately or after such adjournment as the Chairman directs, but any poll demanded on the election of the Chairman or on any question of adjournment shall be taken at the Meeting without adjournment. A valid demand for a poll shall not prevent the continuation of the Meeting for any other business as the Chairman directs.

Article 17 (*Votes*)

Every Voter shall have:

- a) on a show of hands, one vote; and
- b) on a poll, one vote in respect of each Euro 1,000 in aggregate face amount of the outstanding Note(s) represented or held by him.

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

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

Article 18 (*Vote by Proxies*)

Any vote by a Proxy in accordance with the relevant Block Voting Instruction shall be valid even if such Block Voting Instruction or any instruction pursuant to which it was given has been amended or revoked, *provided that* the Italian Paying Agent has not been notified in writing of such amendment or revocation not less than 24 hours before the time fixed for the Meeting. Unless revoked, any appointment of a Proxy under a Block Voting Instruction in relation to a Meeting shall remain in force in relation to any Meeting resumed following an adjournment, except for any appointment of a Proxy in relation to a Meeting originally convened which has been adjourned for want of a quorum. Any person appointed to vote at such a Meeting must be re-appointed under a Block Voting Instruction Proxy to vote at the Meeting when it is resumed.

Article 19 (*Exclusive Powers of the Meeting*)

The Meeting shall have exclusive powers:

- (a) to approve any Basic Terms Modification, in accordance with Article 20 below;
- (b) to approve any proposal by the Issuer for any modification, abrogation, variation or compromise of any of the Conditions or any arrangement in respect of the obligations of the Issuer under or in respect of the Notes;
- (c) to approve the substitution of any person for the Issuer (or any previous substitute) as principal obligor under the Notes;
- (d) to authorise the Representative of the Noteholders to serve a Trigger Notice, as a consequence of a Trigger Event under Condition 9 (*Trigger Events*);
- (e) to waive any breach or authorise any proposed breach by the Issuer of its obligations under or in respect of the Notes or any act or omission which might otherwise constitute a Trigger Event under the Notes;
- (f) to authorise the Representative of the Noteholders to concur in and execute and do all such documents, acts and things as may be necessary to carry out and give effect to any Written Resolution;
- (g) to exercise, enforce or dispose of any right and power on payment and application of funds deriving from any claims on which a pledge or other security interest is created in favour of the Noteholders, otherwise than in accordance with the Transaction Documents,

Article 20 (*Powers exercisable by Extraordinary Resolution*)

A Meeting shall, in addition to the powers herein given, have the following powers exercisable by Extraordinary Resolution:

- (a) power to sanction any proposal by the Issuer for any alteration, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Noteholders against the Issuer or against any of its property or against any other Person whether such rights shall arise under these Rules, the Notes or otherwise;
- (b) power to sanction any scheme or proposal for the exchange or substitution or sale of any of the Notes or any Class of the Notes for, or the conversion of the Notes or any Class into, or the cancellation of any of the Notes or any Class, in consideration of shares,

stock, notes, bonds, debentures, debenture stock and/or other obligations and/or securities of the Issuer or of any other body corporate formed or to be formed, or for or into or in consideration of cash, or partly for or into or in consideration of such shares, stock, notes, bonds, debenture stock and/or other obligations and/or securities as aforesaid and partly for or into or in consideration of cash;

- (c) power to assent to any alteration of the provisions contained in these Rules, the Notes or any Class of Notes, the Intercreditor Agreement, the Cash Administration and Agency Agreement or any other Transaction Document which shall be proposed by the Issuer and/or the Representative of the Noteholders or any other party thereto;
- (d) power to discharge or exonerate the Representative of the Noteholders from any liability in respect of any act or omission for which the Representative of the Noteholders may be responsible under or in relation to these Rules, the Notes or any Class of Notes or any other Transaction Document;
- (e) power to give any authority, direction or sanction which under the provisions of these Rules or the Notes or any Class of Notes, is required to be given by Extraordinary Resolution;
- (f) power to authorise and sanction the actions, in compliance with these Rules, of the Representative of the Noteholders under the terms of the Intercreditor Agreement and any other Transaction Documents and in particular power to sanction the release of the Issuer by the Representative of the Noteholders;
- (g) following the service of a Trigger Notice, power to resolve on the sale of one or more receivable(s) comprised in the Portfolio(s); and
- (h) power to sanction a Basic Terms Modification.

provided that:

- A.** no Extraordinary Resolution involving a Basic Terms Modification passed by the Relevant Class Noteholders shall be effective unless it is sanctioned by an Extraordinary Resolution of the Noteholders of each of the other Classes (to the extent that the Notes of each such Class are then outstanding); and
- B.** no other Extraordinary Resolution of:
 - (i) the Class C Noteholders shall be effective unless: (A) the Representative of the Noteholders is of the opinion that it will not be materially prejudicial to the interests of the Class A Noteholders and the Class B Noteholders (to the extent that the Class A Notes and Class B Notes are then outstanding); or (B) (to the extent that the Representative of the Noteholders is not of that opinion) it is sanctioned by an Extraordinary Resolution of the Class A Noteholders and the Class B Noteholders (to the extent that the Class A Notes and Class B Notes are then outstanding); or
 - (ii) the Class B Noteholders shall be effective unless (A) the Representative of the Noteholders is of the opinion that it will not be materially prejudicial to the interests of the Class A Noteholders (to the extent that the Class A Notes are then outstanding) or (B) (to the extent that the Representative of the Noteholders is

not of that opinion) it is sanctioned by an Extraordinary Resolution of the Class A Noteholders (to the extent that the Class A Notes are then outstanding).

Article 21 (*Challenge of Resolution*)

Each Noteholder who was absent and (or) dissenting can challenge resolutions which are not passed in conformity under the provisions of these Rules.

Article 22 (*Minutes*)

Minutes shall be made of all resolutions and proceedings at each Meeting. The Chairman shall sign the minutes, which shall be *prima facie* evidence of the proceedings recorded therein. Unless and until the contrary is proved, every such Meeting in respect of the proceedings of which minutes have been summarised and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

Article 23 (*Written Resolution*)

A Written Resolution shall take effect as if it were an Extraordinary Resolution.

Article 24 (*Individual Actions and Remedies*)

The right of each Noteholder to bring individual actions or take other individual remedies, that do not amount to bankruptcy, insolvency or compulsory liquidation proceedings, or other proceedings under any bankruptcy or similar law, to enforce his/her rights under the Notes will be subject to the Meeting not passing a resolution objecting to such individual action or other remedy on the grounds that it is not convenient at the time when the Meeting is held, having regard to the interests of the Noteholders. In this respect, the following provisions shall apply:

- (a) the Noteholder intending to enforce his/her rights under the Notes will notify the Representative of the Noteholders in writing of his/her intention;
- (b) the Representative of the Noteholders will, without delay, call for the Meeting, in accordance with these Rules;
- (c) if the Meeting passes a resolution objecting to the enforcement of the individual action or remedy, the Noteholder will be prevented from taking such action or remedy (*provided that* the same matter can be submitted again to a further Meeting of Noteholders after a reasonable period of time has elapsed); and
- (d) if the Meeting passes a resolution not objecting to the enforcement of the individual action or remedy, or if no resolution is taken by the Meeting for want of quorum, the Noteholder will not be prevented from taking such action or remedy.

No individual action or remedy can be taken by a Noteholder to enforce his/her rights under the Notes before the Meeting has been held to resolve on such action or remedy in accordance with the provisions of this Article 24.

The provisions of the Intercreditor Agreement govern the right of the Noteholders to institute against, or join any other Person in instituting against, the Issuer any bankruptcy, insolvency or compulsory liquidation and similar proceedings.

TITLE III - THE REPRESENTATIVE OF THE NOTEHOLDERS

Article 25 (*Appointment, Removal and Remuneration*)

The appointment of the Representative of the Noteholders takes place at the Meeting in accordance with the provisions of this Article 25, save as in respect of the appointment of the first Representative of the Noteholders that will be Deutsche Trustee Company Limited.

The Representative of the Noteholders shall be:

1. a bank incorporated in any jurisdiction of the European Union or a bank incorporated in any other jurisdiction acting through an Italian branch or through a branch situated in a European Union country; or
2. a company or financial institution registered under article 107 of the Consolidated Banking Act; or
3. any other entity which may be permitted to act in such capacity by any 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.

The Representative of the Noteholders shall be appointed for unlimited term and can be removed by the Meeting at any time.

In the event of a termination of the appointment of the Representative of the Noteholders for any reason whatsoever, the Representative of the Noteholders shall remain in office until acceptance of appointment by the substitute Representative of the Noteholders designated among the entities indicated in 1), 2) and 3) above; should said acceptance of appointment by the substitute Representative of the Noteholders not occur within thirty days after such termination, the terminated Representative of the Noteholders shall be entitled to appoint its own successor, provided that any such successor shall satisfy all the conditions set out above; and the powers and authority of Representative of the Noteholders whose appointment has been terminated shall be limited to those necessary for the performance of the essential functions which are required to be complied with in connection with the Notes.

The directors, auditors (if any), employees of the Issuer and those who fall within the conditions indicated in Article 2382 and Article 2399 of the Italian Civil Code in respect of the Issuer cannot be appointed Representative of the Noteholders, and, if appointed, shall be automatically removed from the appointment.

As consideration to the Representative of the Noteholders for the obligations undertaken by the same as from the date hereof under these Rules and the Transaction Documents, the Issuer shall pay to the Representative of the Noteholders an annual fee, such fee being agreed in a separate side letter, plus VAT if applicable. The above fees and remuneration shall accrue from day to day and shall be payable in accordance with the applicable Order of Priority up to (and including) the date when the Notes have been repaid in full or cancelled in accordance with the Conditions.

Article 26 (*Duties and Powers*)

The Representative of the Noteholders is the legal representative of the Organisation of Noteholders subject to and in accordance with the Conditions, these Rules, the Intercreditor Agreement and the other Transaction Documents to which it is a party (together, the "**Relevant Provisions**").

Subject to the Relevant Provisions, the Representative of the Noteholders is responsible for implementing the decisions of the Meeting and for protecting the Noteholders' interests *vis-a-vis* the Issuer, in accordance with and following any resolution taken by the Meeting. The Representative of the Noteholders has the right to attend Meetings. The Representative of the Noteholders may convene a Meeting to obtain instructions from the Relevant Class Noteholders on any action to be taken.

All actions taken by the Representative of the Noteholders in the execution and exercise of all its powers and authorities and of discretion vested in it shall be taken by duly authorised officer(s) for the time being of the Representative of the Noteholders.

The Representative of the Noteholders may also, whenever it considers to be expedient and in the interests of the Noteholders, whether by power of attorney or otherwise, delegate to any Person(s) all or any of the powers, authorities and discretion vested in it as aforesaid. Any such delegation may be made upon such terms and conditions and subject to such regulations (including power to sub-delegate) as the Representative of the Noteholders may think fit, provided that: (a) the Representative of the Noteholders shall use all reasonable care and skill in the selection of the sub-agent, sub-contractor or representative which must fall within one of the categories set forth in Article 25 herein; and (b) the sub-agent, sub-contractor or representative shall undertake to perform the obligations of the Representative of the Noteholders in respect of which it has been appointed.

The Representative of the Noteholders shall not, other than in the normal course of its business, be bound to supervise the proceedings and shall not in any way or to any extent be responsible for any loss incurred by any misconduct or default on the part of such delegate or sub-delegate. The Representative of the Noteholders shall as soon as reasonably practicable give notice to the Issuer of the appointment of any delegate and the renewal, extension and termination of such appointment and shall procure that any delegate shall also as soon as reasonably practicable give notice to the Issuer of any sub-delegate.

The Representative of the Noteholders shall be authorised to represent the Organisation of Noteholders in judicial proceedings, including in proceedings involving the Issuer in court supervised administration (*amministrazione controllata*), creditors' agreement (*concordato preventivo*), forced liquidation (*fallimento*) or compulsory administrative liquidation (*liquidazione coatta amministrativa*).

Article 27 (Resignation of the Representative of the Noteholders)

The Representative of the Noteholders may resign at any time upon giving not less than three calendar months' notice in writing to the Issuer without giving any reason therefore and without being responsible for any costs occasioned by such resignation. The resignation of the Representative of the Noteholders shall not become effective until the Meeting has appointed a new representative of the Noteholders. If a new representative of the Noteholders is not appointed by the Meeting sixty days after such notice of resignation, the resigning Representative of the Noteholders will be entitled to appoint its own successor, *provided that* any such successor shall satisfy with the conditions of Article 25 herein.

Article 28 (Exoneration of the Representative of the Noteholders)

The Representative of the Noteholders shall not assume any other obligations in addition to those expressly provided herein and in the Transaction Documents.

Without limiting the generality of the foregoing, the Representative of the Noteholders shall not be:

- (i) under any obligation to take any steps to ascertain whether a Trigger Event or any other event, condition or act, the occurrence of which would cause a right or remedy to become exercisable by the Representative of the Noteholders hereunder or under any of the other Transaction Documents has happened and, until it shall have actual knowledge or express

notice to the contrary, the Representative of the Noteholders shall be entitled to assume that no Trigger Event has occurred;

- (ii) under any obligation to monitor or supervise the observance and performance by the Issuer or any of the other parties to the Transaction Documents of their obligations thereunder and, until it shall have actual knowledge or express notice to the contrary, it shall be entitled to assume that the Issuer and each party to any Transaction Document is observing and performing all the obligations on its part contained herein and therein;
- (iii) under any obligation to give notice to any Person of the execution of these Rules or any of the Transaction Documents or any transaction contemplated hereby or thereby;
- (iv) responsible for investigating the legality, validity, effectiveness, adequacy, suitability or genuineness of these Rules or of any Transaction Document, or any other document or any obligation or rights created or purported to be created thereby or pursuant thereto;
- (v) responsible for or have any duty to make any investigation in respect of or in any way be liable whatsoever for: (i) the nature, status, creditworthiness or solvency of the Issuer, (ii) the existence, accuracy or sufficiency of any legal or other opinions, searches, reports, certificates, valuations or investigations delivered or obtained or required to be delivered or obtained at any time in connection herewith; (iii) the suitability, adequacy or sufficiency of any collection procedures operated by the Servicer or compliance therewith; (iv) the failure by the Issuer to obtain or comply with any license, consent or other authority in connection with the purchase or administration of the Portfolios; and (v) any accounts, books, records or files maintained by the Issuer, the Servicer and the Italian Paying Agent or any other Person in respect of the Portfolios;
- (vi) responsible for the receipt or application by the Issuer of the proceeds of the issue of the Notes or the distribution of any of such proceeds to the Persons entitled thereto;
- (vii) responsible for investigating any matter which is the subject of, any recitals, statements, warranties or representations of any party other than the Representative of the Noteholders contained herein or any other Transaction Document;
- (viii) bound or concerned to examine or enquire into or be liable for any defect or failure in the right or title of the Issuer to the Portfolios or any part thereof whether such defect or failure was known to the Representative of the Noteholders or might have been discovered upon examination or enquiry or whether capable of remedy or not;
- (ix) liable for any failure, omission or defect in registering or filing or procuring registration or filing of or otherwise protecting or perfecting these Rules or any Transaction Document;
- (x) under any obligation to insure the Portfolios or any part thereof;
- (xi) obliged to have regard to the consequences of any modification of these Rules or any of the Transaction Documents for the Noteholders or any relevant Persons resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to, the jurisdiction of any particular territory;
- (xii) under any obligation to disclose to any Noteholder, any Issuer Creditor or any other party any confidential, financial, price sensitive or other information made available to the Representative of the Noteholders by the Issuer or any other Person in connection with

these Rules and the Noteholders, the Other Issuer Creditors or any other party shall not be entitled to take any action to obtain from the Representative of the Noteholders any such information (unless and to the extent ordered so to do by a court of competent jurisdiction);

- (xiii) bound to take any steps or institute any proceedings after a Trigger Notice is served upon the Issuer following the occurrence of a Trigger Event, or to take any other action (or direct any action to be taken) to enforce any security interest created by the Security Documents or any rights under the Intercreditor Agreement unless it has been indemnified to its satisfaction against all actions, proceedings, claims and demands to which it may thereby render itself liable and all costs, charges, damages and expenses which it may incur by so doing;
- (xiv) liable for acting upon any resolution purporting to have been passed at any Meeting of the relevant Class or Classes of Notes in respect whereof minutes have been made and signed, also in the event that, subsequent to its acting it transpires that the Meeting was not duly convened or constituted, such resolution was not duly passed or that the resolution was otherwise not valid or binding upon the Noteholders, in connection with matters in respect of which the Noteholders are entitled to direct the Representative of the Noteholders, and
- (xv) liable for not having acted in any manner whatsoever for the protection of the Noteholders' interests in all circumstances where, according to these Rules and the Transaction Documents, it was not expressly required to take any such action.

The Representative of the Noteholders may:

- (i) agree amendments or modifications to these Rules or to any of the Transaction Documents which in the opinion of the Representative of the Noteholders it is expedient to make or is to correct a manifest error or is of a formal, minor or technical nature. Any such modification shall be binding on the Noteholders and, unless the Representative of the Noteholders otherwise agrees, the Issuer shall cause such modification to be notified to the Noteholders as soon as practicable thereafter;
- (ii) agree amendments or modifications to these Rules (other than in respect of a Basic Terms Modification or any provision in these Rules referred to in the definition of Basic Terms Modification) or to the other Transaction Documents which, in the opinion the Representative of the Noteholders, it may be proper to make, *provided that* the Representative of the Noteholders is of the opinion that such modification will not be materially prejudicial to the interests of the Class A Noteholders, or, in the event the Class A Notes have been redeemed in full, the Class B Noteholders, or, in the event the Class B Notes have been redeemed in full, the Class C Noteholders;
- (iii) act on the advice or a certificate or opinion of or any information obtained from any lawyer, accountant, banker, broker, credit or rating agency or other expert whether obtained by the Issuer, the Representative of the Noteholders or otherwise and shall not, in the absence of fraud (*frode*), gross negligence (*colpa grave*) or wilful misconduct (*dolo*) on the part of the Representative of the Noteholders, be responsible for any loss occasioned by so acting. Any such advice, opinion or information may be sent or obtained by letter, telex, telegram, facsimile transmission, e-mail or cable and, in the absence of fraud (*frode*), gross negligence (*colpa grave*) or wilful misconduct (*dolo*) on the part of the Representative of the Noteholders, the Representative of the Noteholders

shall not be liable for acting on any advice, opinion or information contained in or purported to be conveyed by any such letter, telex, telegram, facsimile transmission, e-mail or cable notwithstanding any error contained therein or the non-authenticity of the same;

- (iv) call for and accept as sufficient evidence of any fact or matter, unless any of its officers in charge of the administration of these Rules shall have actual knowledge or express notice to the contrary, a certificate duly signed by or on behalf of the Issuer, and the Representative of the Noteholders shall not be bound in any such case to call for further evidence or be responsible for any loss that may be occasioned by the Representative of the Noteholders acting on such certificate;
- (v) have absolute discretion as to the exercise, non exercise or refraining from exercise of any right, power and discretion vested in the Representative of the Noteholders by these Rules or by operation of law, save as expressly otherwise provided herein, and the Representative of the Noteholders shall not be responsible for any loss, costs, damages, expenses or inconveniences that may result from the exercise, non-exercise or refraining from exercise thereof except insofar as the same are incurred as a result of its fraud (*frode*), gross negligence (*colpa grave*) or willful misconduct (*dolo*);
- (vi) hold or leave in custody these Rules, the Transaction Documents and any other documents relating hereto in any part of the world with any bank officer or financial institution or company whose business includes undertaking the safe custody of documents or lawyer or firm of lawyers considered by the Representative of the Noteholders to be of good repute, and the Representative of the Noteholders shall not be responsible for or required to insure against any loss incurred in connection with any such custody and may pay all sums required to be paid on account of or in respect of any such custody;
- (vii) call for, accept and place full reliance on and as sufficient evidence of the facts stated therein, a certificate or letter of confirmation certified as true and accurate and signed on behalf of any common depository as the Representative of the Noteholders considers appropriate, or any form of record made by any such depository to the effect that at any particular time or throughout any particular period, any particular Person is, was, or will be, shown in its records as entitled to a particular number of Notes;
- (viii) certify whether or not a Trigger Event is in its opinion materially prejudicial to the interests of the Noteholders and if any proceedings referred to under Condition 9(1)(c)(Insolvency etc.) are disputed in good faith, and any such certificate or opinion shall be conclusive and binding upon the Issuer, the Noteholders, the Other Issuer Creditors and any other relevant Person and if the Representative of the Noteholders so certifies and serves a Trigger Notice pursuant to Condition 9, it shall, in the absence of fraud (*frode*), gross negligence (*colpa grave*) or wilful misconduct (*dolo*) on its part, be fully indemnified by the Issuer against all fees, costs, expenses, liabilities, losses and charges which it may incur as a result.
- (ix) determine whether or not a default in the performance by the Issuer of any obligation under the provisions of these Rules or contained in the Notes or any of the other Transaction Documents is capable of remedy and, if the Representative of the Noteholders shall certify that any such default is, in its opinion, not capable of remedy, such certificate shall be conclusive and binding upon the Issuer, the Noteholders and any relevant Person and the Representative of the Noteholders shall not be responsible for or

required to insure against any cost and loss incurred in connections with any such certificate;

- (x) assume without enquiry that no Notes are for the time being held by or for the benefit of the Issuer;

The Representative of the Noteholders shall be entitled to:

- a) call for and to rely upon a certificate or any letter of confirmation or explanation reasonably believed by it to be genuine, of any party to the Intercreditor Agreement or any other *of* the Other Issuer Creditors or any rating agency in respect *of* every matter and circumstance for which a certificate is expressly provided for hereunder or any other Transaction Document or in respect of the rating of the Investor Notes and it shall not be bound in any such case to call for further evidence or be responsible for any loss, liability, costs, damages, expenses or inconvenience that may be occasioned by its failing so to do;
- b) assume, for the purposes *of* exercising any power, authority, duty or discretion under or in relation hereto that such exercise will not be materially prejudicial to the interests of the Noteholders if the Rating Agencies have confirmed that the then current rating of the Investor Notes would not be adversely affected by such exercise, or have otherwise given their consent.
- c) convene a Meeting of the Noteholders of the relevant Class or Classes of Notes, in connection with matters in respect of which the Representative of the Noteholders is entitled to exercise its discretion hereunder, in order to obtain from them instructions upon how the Representative of the Noteholders should exercise such discretion *provided that* nothing herein shall be construed so as to oblige the Representative of the Noteholders to convene such a Meeting. Prior to undertaking any action, the Representative of the Noteholders shall be entitled to request at the Meeting to be indemnified and/or provided with security to its satisfaction against all actions, proceedings, claims and demands to which it may render itself liable and all costs, charges, damages, expenses and liabilities which it may incur by taking such action.

Any consent or approval given by the Representative of the Noteholders under these Rules and any other Transaction Document may be given on such terms and subject to such conditions (if any) as the Representative of the Noteholders deems appropriate and notwithstanding anything to the contrary contained herein, or in other Transaction Document, such consent or approval may be given retroactively.

No provision of these Rules shall require the Representative of the Noteholders to do anything which may be illegal or contrary to applicable law or regulation or expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties, or in the exercise of any of its rights or powers, if the Representative of the Noteholders shall have reasonable grounds for believing that it will not be reimbursed for any amounts, or that it will not be indemnified against any loss or liability, which it may incur as a result of such action.

Article 29 (Security Documents)

The Representative of the Noteholders is entitled to exercise all rights granted by the Issuer in favour *of* the Noteholders and the Other Issuer Creditors under the Deed *of* Pledge. The Security Trustee is entitled to exercise all rights granted by the Issuer to it in its capacity as trustee for the Other Issuer Creditors under the Deed of Charge.

The Representative of the Noteholders, acting on behalf of the Secured Parties, may:

- (a) appoint and entrust the Issuer to collect, in the Secured Parties' interest and on their behalf, any amounts deriving from the pledged claims and rights and may instruct, jointly with the Issuer, the relevant debtors of the pledged claims to make any payments to be made thereunder to an Account of the Issuer;
- (b) acknowledge that the account(s) to which payments have been made in respect of the pledged claims shall be deposit accounts for the purpose of Article 2803 of the Italian Civil Code and agrees that such account(s) shall be operated in compliance with the provisions of the Cash Administration and Agency Agreement and the Intercreditor Agreement;
- (c) agree that all funds credited to the relevant Accounts from time to time shall be applied in accordance with the Cash Administration and Agency Agreement and the Intercreditor Agreement and that available funds standing to the credit of the Accounts (except the Transitory Collections and Recoveries Accounts, the Quota Capital Account and the Expenses Account) may be used for investments in Eligible Investments;
- (d) agree that cash deriving from time to time from the pledged claims and the amounts standing to the credit of the relevant Accounts shall be applied in and towards satisfaction of amounts due to the Secured Parties according to the applicable Order of Priority.

The Secured Parties have irrevocably waived any right which they may have hereunder in respect of cash deriving from time to time from the pledged claims and amounts standing to the credit of the Accounts which is not in accordance with the foregoing. The Representative of the Noteholders shall not be entitled to collect, withdraw or apply, or issue instructions for the collection, withdrawal or application of, cash deriving from time to time from the pledged claims under the Security Documents except in accordance with the foregoing and the Intercreditor Agreement.

Article 30 (*Indemnity*)

It is hereby acknowledged that the Issuer has covenanted and undertaken under the Subscription Agreements to reimburse, pay or discharge (on a full indemnity basis) on demand, to the extent not already reimbursed, paid or discharged by any Noteholders, all costs, liabilities, losses, charges, expenses, damages, actions, proceedings, claims and demands (including, without limitation, legal fees and any applicable value added tax or similar tax) properly incurred by or made against the Representative of the Noteholders, or by any Persons appointed by it to whom any power, authority or discretion may be delegated by it, in relation to the preparation and execution of, the exercise, non exercise or purported exercise of its powers and performance of its duties under, and in any other manner in relation to, these Rules or the Transaction Documents, including but not limited to legal and travelling expenses and any stamp, issue, registration, documentary and other taxes or duties paid by the Representative of the Noteholders in connection with any action and/or legal proceedings brought or contemplated by the Representative of the Noteholders pursuant the Transaction Documents, or against the Issuer or any other Person for enforcing any obligations hereunder, the Notes or the Transaction Documents, except insofar as the same are incurred because of the fraud (*frode*), gross negligence (*colpa grave*) or wilful misconduct (*dolo*) of the Representative of the Noteholders.

TITLE IV - THE ORGANISATION OF NOTEHOLDERS UPON A SERVICE OF A TRIGGER NOTICE

Article 31 (Powers)

It is hereby acknowledged that, upon service of a Trigger Notice, the Representative of the Noteholders shall, pursuant to the Intercreditor Agreement, be entitled to exercise, in the name and on behalf of the Issuer and as *mandatario in rem propriam* of the Issuer, all and any of the Issuer's Rights, including the right to give directions and instructions to the relevant parties to the Transaction Documents. In connection with any proposed sale of one or more Claims comprised in the Portfolios, the Representative of the Noteholders may, but shall not be obliged to, convene a Meeting in accordance with the provisions set forth in these Rules to resolve on the proposed sale.

TITLE V - ALTERNATIVE DISPUTES RESOLUTIONS

Article 32 (Law and Arbitration)

These Rules are governed by, and will be construed in accordance with, the laws of Italy.

All dispute arising out of the present Rules, including those concerning its validity, interpretation, performance and termination, shall be settled, irrespective of the number of the parties, by the Arbitration Panel consisting of three arbitrators (one of whom shall be the President) who shall be directly appointed by the Chamber of National and International Arbitration of Milan. The arbitration shall be conducted in accordance with the Rules of the Chamber of National and International Arbitration of Milan (*Regole di Arbitrato Internazionale della Camera di Commercio Nazionale e Internazionale di Milano*), which each of the Noteholders acknowledge to have read and to accept in their entirety.

The arbitrators shall decide according to the laws of Italy and not *ex aequo et bono*.

The seat of the arbitration shall be in Milan. The language of the arbitration will be English. Any disputes that cannot be settled by arbitration shall be submitted to the exclusive jurisdiction of the courts of Milan.

GENERAL INFORMATION

1. The 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 Issuer aware that any such proceedings being pending or threatened.
2. Since the date of its incorporation, the Issuer has not entered into any agreement or effected any transaction other than those related to the purchase of the Portfolios. The execution by the Issuer of the Transaction Documents and the issue of the Notes were authorised by a resolution of the quotaholders' meeting which took place on 26 May 2006.
3. Save as disclosed in this Offering Circular, after the issue of the Notes the Issuer has no outstanding loan capital, borrowings, indebtedness or contingent liabilities, nor has the Issuer created any mortgages or charges or given any guarantees.
4. The Issuer's financial statements relating to the period from the date of incorporation to April 30th, 2006, will be available in English for collection at the registered office of the Italian Paying Agent. The Issuer prepares annual financial statements for financial years ending on 31 December of each year. No interim or consolidated financial statements will be produced by the Issuer, except for the financial statement from the date of its formation, on February 3rd, 2006 to April 30th, 2006 which has been produced for the purposes of this Offering Circular.
5. The proceeds arising from the issue of the Senior Notes amount to Euro 587,985,000.
6. The Notes have been accepted for clearance through Monte Titoli, Clearstream and Euroclear.
7. The Senior Notes have been attributed the following ISIN numbers and the following Common Codes:

	ISIN No.
Class A	IT0004073497
Class B	IT0004073505

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 Representative of the Noteholders at any time after the Issue Date:
 - (a) the *Statuto* and *Atto Costitutivo* of the Issuer;
 - (b) the Transfer Agreements;
 - (c) the Warranty and Indemnity Agreement;
 - (d) the Cash Administration and Agency Agreement;
 - (e) the Liquidity Agreement;
 - (f) the Subscription Agreements;
 - (g) the Swap Agreement;

- (h) the Servicing Agreement;
 - (i) the Intercreditor Agreement;
 - (j) the Deed of Pledge;
 - (k) the Deed of Charge;
 - (l) the Corporate Services Agreement;
 - (m) the Stichting Corporate Services Agreement;
 - (n) the Quotaholders' Agreement;
 - (o) the Limited Recourse Loan Agreement;
 - (p) balance sheet and all financial information;
 - (q) income statement;
 - (r) the accounting policies and explanatory notes;
 - (s) report of the Issuer.
9. As of the last accounts, and save as disclosed in this document, there has been no material adverse change in the financial position, trading and prospects of the Issuer since the date of its incorporation that is material in the contest of the issue of the Notes.

THE ISSUER
Credico Finance 6 S.r.l.
Largo Chigi, 5
00197 Rome (Italy)

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)

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

Credito Cooperativo Bolognese - Credibo – S.C.
Via Calzoni 1/3 – 40128 Bologna (Italy)

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

Banca di Credito Cooperativo di Cartura SCRL
Via Roma 15, 35025 CARTURA (PD) (Italy)

Banca di Credito Cooperativo di Fiumicello ed Aiello del Friuli Società cooperativa
Via Gramsci 12, 33050 Fiumicello (Italy)

Banca di Credito Cooperativo di Macerone Società cooperativa
Via Cesenatico,
5699 Cesena (FC) (Italy)

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

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

Banca di Credito Cooperativo di Pergola - Società Cooperativa
Viale Martiri della Libertà, 46/B - 61045 Pergola (Italy)

Banca di Credito Cooperativo di Pratola Peligna Società Cooperativa
Via Gramsci n. 136, Pratola Peligna (Italy)

Banca di Credito Cooperativo di Signa Società Cooperativa
Piazza Michelacci 6,
50058 Signa (Italy)

Credito Trevigiano Banca di Credito Cooperativo Società cooperativa
Via Roma 15 - 31050 Vedelago (TV) (Italy)

BACKUP SERVICER and OPERATING BANK
ICCREA Banca S.p.A.
Via Lucrezia Romana 41-47
00178 Rome (Italy)

TRANSACTION BANK and ITALIAN PAYING AGENT
Deutsche Bank S.p.A.
Piazza del Calendario no. 3
20126 Milan (Italy)

Banca di Credito Cooperativo dell'Alto Reno - Società Cooperativa
Piazza Marconi 8, 40042 - Lizzano In Belvedere (BO) – (Italy)

Banca di Credito Cooperativo della Bassa Friulana Società Cooperativa
Via Udine 70/A, Castions Di Strada (UD) – (Italy)

Cassa Rurale ed Artigiana di Brendola Credito Cooperativo - Società Cooperativa
Piazza del Mercato 15/20 – Brendola 36040 (Italy)

Cassa Rurale ed Artigiana di Cantù Banca di Credito Cooperativo Soc. Coop.
C.so Unità d'Italia n. 11 - 22063 Cantù (CO) (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 Gaudiano di Lavello Soc. Cooperativa
C.so G. Fortunato, 48/50 - 85024 - Lavello (PZ) (Italy)

Banca della Marca – Credito Cooperativo – Società Cooperativa
Via Garibaldi 46, 31010 Orsago (TV) (Italy)

Banca di Monastier e del Sile - Credito Cooperativo Società Cooperativa
Via Roma 21 A
31050 Monastier di Treviso (Italy)

Banca di Credito Cooperativo di Ostra e Morro d'Alba S.Coop.
Via Mazzini 93, Ostra (AN) (Italy)

Banca di Credito Cooperativo Pordenonese
Via Trento, 1, 33082 Azzano Decimo (PN) (Italy)

Banca di Credito Cooperativo di Sesto San Giovanni Società Cooperativa Via Benedetto Croce 5, 20099 Sesto San Giovanni (MI) (Italy)

Banca Suasa - Credito Cooperativo - Società Cooperativa
Via V. Emanuele 1 – 61040 Mondavio, Frazione San Michele al Fiume (PS) (Italy)

REPRESENTATIVE OF THE NOTEHOLDERS and SECURITY TRUSTEE
Deutsche Trustee Company Limited
Winchester House - 1 Great Winchester Street
EC2N 2DB London (United Kingdom)

ENGLISH TRANSACTION BANK - COMPUTATION AGENT - AGENT BANK- CASH MANAGER and PRINCIPAL PAYING AGENT
Deutsche Bank AG London
Winchester House - 1 Great Winchester Street
EC2N 2DB London (United Kingdom)

CORPORATE SERVICES PROVIDER

FIS Fiduciaria Generale S.p.A.

Via San Vito, 7
20121 Milan (Italy)

SWAP COUNTERPARTY

Société Générale, London

SG House, 41 Tower Hill, London, EC3N 4SG (United Kingdom)

LEGAL ADVISORS

TO THE ARRANGERS AS TO ITALIAN LAW

Orrick, Herrington & Sutcliffe

Via del Consolato, 6
00186 Rome (Italy)

TO THE ARRANGERS AS TO ENGLISH LAW

Orrick, Herrington & Sutcliffe

Tower 42, Level 35
25 Old Broad Street
EC2N 1HQ London (United Kingdom)

TO THE REPRESENTATIVE OF THE NOTEHOLDERS

Orrick, Herrington & Sutcliffe

Via Visconti di Modrone, 12
20122 Milan (Italy)

TO THE ORIGINATORS

Studio d'Ercole

Largo del Teatro Valle, 6
00186 Rome (Italy)