

DESCRIPTION OF THE TRANSACTION DOCUMENTS

The description of the Transaction Documents set out below is a summary of certain features of those agreements and is qualified by reference to the detailed provisions of the Transaction Documents. Prospective Noteholders may inspect copies of the Transaction Documents upon request at the specified office of each of the Representative of the Noteholders and the Paying Agent.

1. THE RECEIVABLES PURCHASE AGREEMENT

On 16 April 2015, the Originator, the Other Sellers and the Issuer entered into the Receivables Purchase Agreement, pursuant to which the Originator has assigned and transferred to the Issuer, without recourse (*pro soluto*), all of its rights, title and interest in and to the Initial Portfolio. As long as no Trigger Notice or Purchase Termination Notice has been delivered, on each Offer Date the Originator may offer for sale to the Issuer, which, subject to the conditions set out in the paragraph "*Conditions for the purchase of Further Portfolios*" of the section "*The Portfolio*" above having been met, shall agree to purchase from the Originator Further Portfolios up to the end of the Ramp-Up Period, pursuant to the terms of the Receivables Purchase Agreement.

The Purchase Price in respect of the Initial Portfolio and of each Further Portfolio is equal to the sum of all Individual Purchase Prices of the relevant Receivables. The Purchase Price in respect of the Initial Portfolio will be paid on the Issue Date using the net proceeds of the issue of the Notes and the payment of the Initial Instalments thereon. The Purchase Price in respect of each Subsequent Portfolio (if any) will be funded on the Payment Date immediately following the relevant Offer Date through the Issuer Available Funds available for such purposes under the Priority of Payments. The Purchase Price in respect of each Further Portfolio (if any) will be funded: (i) on the Payment Date immediately following the relevant Offer Date through the Issuer Available Funds available for such purposes in accordance with the Priority of Payments; and/or (ii) only to the extent that it is not funded by the Issuer Available Fund under (i) above, on the Settlement Date immediately following the relevant Offer Date using, and within the limits of, the net proceeds of the payment of any Further Instalments made by the Noteholders in respect of the Notes.

The sale of the Initial Portfolio has been made, and the sale of any Further Portfolio will be made, in accordance with article 58, paragraphs 2, 3 and 4 of the Consolidated Banking Act (as provided by article 4 of the Securitisation Law).

Pursuant to the Receivables Purchase Agreement, the Originator, the Other Sellers and the Issuer have undertaken to perform, in respect of the transfer of the Initial Portfolio and the transfer of each Further Portfolio, the formalities provided under article 58 of the Consolidated Banking Act, as applicable to securitisation transactions pursuant to article 4 of the Securitisation Law. Notice of the transfer of the Initial Portfolio was published in the *Gazzetta Ufficiale della Repubblica Italiana, Parte Seconda*, number 47 of 23 April 2015 and was filed to be published in the companies register of Rome on 17 April 2015.

In addition, in accordance with the provisions of the Receivables Purchase Agreement certain formalities have been performed by the Originator for the purpose of transferring to the Issuer the title to the claims deriving from the Insurance Policies which assist the Receivables comprised in the Initial Portfolio.

Pursuant to the Receivables Purchase Agreement, the same formalities described above in respect of the Initial Portfolio will be complied with in connection with any transfer of Receivables comprised in any Further Portfolio, in addition to the formalities provided under article 58 of the Consolidated Banking Act, as applicable to securitisation transactions pursuant to article 4 of the Securitisation Law.

The Receivables Purchase Agreement contains a number of undertakings by the Originator and by the Other Sellers in respect of its activities relating to the Receivables. The Originator and the Other Sellers have undertaken, *inter alia*, to refrain from carrying out activities with respect to the Receivables which may prejudice the validity or recoverability of any Receivable or adversely affect

the benefit which the Issuer may derive from the Receivables and in particular not to assign or transfer the Receivables to any third party or to create any security interest, charge, lien or encumbrance or other right in favour of any third party in respect of the Receivables. The Originator and the Other Sellers have also undertaken not to modify or cancel any term or condition of the Loan Agreements or any document to which it is a party relating to the Receivables which may prejudice the Issuer's rights to the Receivables, save in the event such modifications or cancellations are provided for by the Transaction Documents or required by law.

The Issuer has granted to the Originator and to the Other Sellers, in accordance with article 1331 of the Italian civil code, an option pursuant to which on any date, the Originator may repurchase from the Issuer the outstanding Portfolio in accordance with the provisions of article 58 of the Consolidated Banking Act and subject to the conditions set out in the Receivables Purchase Agreement and Condition 8.3 (*Optional Redemption*) (the "**Clean-Up Call Option**"). The Issuer has undertaken in the Receivables Purchase Agreement to apply the purchase price received by the Originator following the exercise by the latter of the Clean-Up Call Option in performing the optional redemption of the Rated Notes (in whole but not in part) and the Junior Notes (in whole but not in part) at their Principal Amount Outstanding, together with interest accrued thereon in accordance with and subject to the provisions of Condition 8.3 (*Optional Redemption*).

In addition, under the Receivables Purchase Agreement, the Issuer has granted to the Originator, in accordance with article 1331 of the Italian civil code, an option pursuant to which the Originator may repurchase from the Issuer individual Receivables included in the outstanding Portfolio, subject to the conditions and limits set out in the Receivables Purchase Agreement.

All costs and expenses to be incurred by the Other Sellers in connection with this Receivables Purchase Agreement shall be entirely borne by the Originator in accordance with article 1273 of the Italian civil code.

The Receivables Purchase Agreement is governed by, and shall be construed in accordance with, Italian law.

2. THE SERVICING AGREEMENT

On 16 April 2015, the Originator, the Other Sellers and the Issuer entered into the Servicing Agreement, pursuant to which the Issuer has appointed Istituto Bancario del Lavoro – IBL Banca S.p.A. as Servicer of the Receivables. The Servicer will also act as the *soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e di pagamento* pursuant to the Securitisation Law. In such capacity, the Servicer shall also be responsible for ensuring that such operations comply with the provisions of articles 2, paragraph 3, letter (c), and 2, paragraph 6 of the Securitisation Law.

The receipt of the Collections is the responsibility of the Servicer acting as agent (*mandatario*) of the Issuer. Pursuant to the Servicing Agreement, the Servicer shall transfer any amounts collected or recovered from the Receivables to the Collection Account within 1 Business Day following the relevant date of receipt of the Collections by the Servicer.

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

The activities to be carried out by the Servicer include also the processing of administrative and accounting data in relation to the Receivables and the management of such data. The Servicer has represented to the Issuer that it has all skills, software, hardware, information technology and human resources necessary to comply with the efficiency standards required by the Servicing Agreement. The Servicer has further undertaken to use all due diligence to maintain all accounting records relating to the Receivables, the Delinquent Receivables and the Defaulted Receivables and to supply all relevant information to the Issuer to enable it to prepare its financial statements.

The Servicer has undertaken to prepare and submit to the Issuer monthly reports containing, a summary of the performance of the Portfolio, a detailed summary of the status of the Receivables and a report on the level of collections in respect of principal and interest on the Portfolio, for delivery to, amongst others, the Issuer, the Sub-Servicer, the Calculation Agent, the Rating Agencies and the Representative of the Noteholders.

The Issuer may terminate the Servicer's appointment and appoint a successor servicer if certain events occur, as set out in the Servicing Agreement (each a "**Servicer Termination Event**").

All costs and expenses to be incurred by the Other Sellers in connection with this Servicing Agreement shall be entirely borne by the Originator in accordance with article 1273 of the Italian civil code.

The Servicing Agreement is governed by, and shall be construed in accordance with, Italian law.

3. THE WARRANTY AND INDEMNITY AGREEMENT

On 16 April 2015, the Issuer, the Other Sellers and the Originator entered into the Warranty and Indemnity Agreement, pursuant to which the Originator and the Other Sellers has given certain representations and warranties in favour of the Issuer in relation to the Receivables comprised in the Initial Portfolio and in each Further Portfolio and certain other matters, and has agreed to indemnify the Issuer in respect of certain liabilities of the Issuer that may be incurred in connection with the purchase and ownership of the Receivables.

The Warranty and Indemnity Agreement contains representations and warranties given by the Originator and the Other Sellers as to matters of law and fact affecting the Originator and the Other Sellers including, without limitation, that the Originator and the Other Sellers validly exist as uridical persons, has the corporate authority and power to enter into the Transaction Documents to which it is party and assume the obligations contemplated therein and has all the necessary authorisations therefor.

The Warranty and Indemnity Agreement sets out standard representations and warranties in respect of the Receivables including, *inter alia*, that, the Receivables assigned to the Issuer (i) are valid, in existence and in compliance with the Criteria, and (ii) relate to Loan Agreements which have been entered into, executed and performed by the Originator in compliance with all applicable laws, rules and regulations (including the Usury Law). Such representations and warranties are given by the Originator and the Other Sellers:

- (a) with respect to the Receivables comprised in the Initial Portfolio, as of the relevant Valuation Date, as of the date of execution of the Receivables Purchase Agreement and as of the Issue Date; and
- (b) with respect to the Receivables comprised in any Further Portfolio, as of the relevant Valuation Date, as of the relevant Transfer Date and as of the Settlement Date immediately following such Transfer Date.

Pursuant to the Warranty and Indemnity Agreement (and subject to the terms and conditions thereunder), the Originator and the Other Sellers have agreed to indemnify and hold harmless the Issuer, its officers or agents or any of its permitted assigns from and against any and all damages, losses, claims, costs and expenses awarded against, or incurred by such parties which arise out of or result from, *inter alia*, (a) any representations and/or warranties made by the Originator and by the Other Sellers under the Warranty and Indemnity Agreement, being false, incomplete or incorrect; (b) the failure by the Originator and by the Other Sellers to comply with any of its obligations under the Transaction Documents; (c) any amount of any Receivable not being collected as a result of the proper and legal exercise of any right of set-off against the Originator and the Other Sellers by the relevant Borrowers and/or by any relevant Assigned Debtor; or (d) the failure to comply with the provisions of the Usury Law in respect of any interest accrued under the Loan Agreement, in each case, subject to the terms and conditions set out in the Warranty and Indemnity Agreement.

All costs and expenses to be incurred by the Other Sellers in connection with this Warranty and Indemnity Agreement shall be entirely borne by the Originator in accordance with article 1273 of the Italian civil code.

The Warranty and Indemnity Agreement is governed by, and shall be construed in accordance with, Italian law.

4. **THE BACK-UP SERVICING AGREEMENT**

On or about the Issue Date, the Issuer, the Servicer and the Back-up Servicer entered into the Back-up Servicing Agreement.

Under the Back-up Servicing Agreement, the Back-up Servicer has undertaken to act as substitute of the Servicer, in the event that: (i) the appointment of the Servicer has been revoked in accordance with terms of the Servicing Agreement; or (ii) the Servicer has withdrawn from the Servicing Agreement; or (iii) the appointment of the Servicer is terminated for any reason whatsoever in accordance with the terms of the Servicing Agreement (other than for termination of the Servicing Agreement as a consequence of the occurrence of the condition subsequent provided therein).

Furthermore, pursuant to the Back-up Servicing Agreement, in the event that the appointment of the Back-up Servicer is terminated, the Representative of the Noteholders shall select an entity to be appointed as the new Back-up Servicer.

The Back-up Servicing Agreement is governed by, and shall be construed in accordance with, Italian law.

5. **THE CASH ALLOCATION, MANAGEMENT AND PAYMENTS AGREEMENT**

On or about the Issue Date, the Issuer, the Originator, the Servicer, the Back-up Servicer, the Representative of the Noteholders, the Calculation Agent, the Back-up Calculation Agent, the Corporate Servicer, the English Account Bank, the Collection Account Bank, the Cash Manager, the Italian Account Bank and the Paying Agent entered into the Cash Allocation, Management and Payments Agreement.

Under the terms of the Cash Allocation, Management and Payments Agreement:

- (a) the English Account Bank has agreed to establish and maintain, in the name and on behalf of the Issuer, the Investment Account and to provide the Issuer with certain reporting services together with account handling services in relation to monies and Eligible Investments from time to time standing to the credit of, or deposited to, as the case may be, the Investment Account;
- (b) the Italian Account Bank has agreed to establish and maintain, in the name and on behalf of the Issuer, the Payments Account, the Cash Reserve Account and the Management Fee Reserve Account (and, together with the Collection Account, the Investment Account and the Expenses Account, the "**Issuer's Accounts**") and to provide the Issuer with certain reporting services together with account handling services in relation to monies from time to time standing to the credit of each of such Issuer's Accounts;
- (c) the Collection Account Bank has agreed to establish and maintain, in the name and on behalf of the Issuer, the Collection Account and the Expenses Account and to provide the Issuer with certain reporting services together with account handling services in relation to monies from time to time standing to the credit of each of such Issuer's Accounts;
- (d) the Corporate Servicer has agreed to operate the Expenses Account held with the Collection Account Bank, in accordance with the instructions of the Issuer and the provisions of the Cash Allocation, Management and Payments Agreement;

- (e) the Calculation Agent has agreed to provide the Issuer with certain calculation services;
- (f) the Paying Agent has agreed to provide the Issuer with certain payment services together with certain calculation services in relation to the Notes; and
- (g) the Cash Manager has agreed to give instructions, on behalf of the Issuer, to the English Account Bank in order to invest any funds standing to the credit of the Investment Account (which are funds transferred from the Collection Account, the Payments Account, the Management Fee Reserve Account and the Cash Reserve Account (together, the “**Cash Accounts**”)) in Eligible Investments selected in accordance with the provisions of the Cash Allocation, Management and Payments Agreement.

All the Issuer’s Account held with the Account Banks shall be opened in the name of the Issuer and shall be operated by the relevant Account Bank and the amounts standing to the credit thereof shall be debited and credited in accordance with the provisions of the Cash Allocation, Management and Payment Agreement and the Intercreditor Agreement.

Furthermore, pursuant to the Cash Allocation Management and Payments Agreement (and the Receivables Purchase Agreement):

- IBL, in its capacity as Originator, has undertaken to credit into the Management Fee Reserve Account: (i) on the Issue Date, the Management Fee Reserve Initial Amount ; and (ii) after the Issue Date, during the Ramp-Up Period, on each Transfer Date until the Rated Notes are repaid in full, (i) the Management Fee Reserve Target Amount in respect of all the Receivables comprised in each Further Portfolio (if any) transferred by the Originator on such Transfer Date, (ii) the Management Fee Available Amount in respect of all the Receivables comprised in each Further Portfolio transferred by each Other Seller on such Transfer Date, and (iii) the amount specified under clause 3.3.3(b)(i)(b) of the Receivables Purchase Agreement as additional amount in respect of management fee relating to each Receivable comprised in each Further Portfolio transferred by IBL CQS S.r.l., shall be paid (or procured to be paid) by the Originator into the Management Fee Reserve Account;
- the Issuer has undertaken to use the amounts credited into the Management Fee Reserve Account in accordance with the Cash Allocation Management and Payments Agreement;
- the repayment to the Originator of the Management Fee Reserve Released Amount (if any) shall be made by the Issuer on each Payment Date immediately following the relevant Servicer’s Report Date, in any case out of the applicable Priority of Payments , in all circumstances in accordance with the Cash Allocation Management and Payments Agreement; and
- all amounts standing to the credit of the Management Fee Reserve Account, on the Business Day after the Payment Date on which the Notes are redeemed in full or cancelled, will be paid to the Originator.

The Cash Allocation, Management and Payments Agreement is governed by, and shall be construed in accordance with, Italian law.

6. THE CUSTODY AGREEMENT

On or about the Issue Date, the Issuer, the Custodian and the Representative of the Noteholders entered into the Custody Agreement.

Under the terms of the Custody Agreement, the Custodian has agreed to provide the Issuer with custody and depository services in respect of securities deriving from Eligible Investments made by the English Account Bank (as instructed by the Cash Manager) in accordance with the Cash Allocation, Management and Payments Agreement.

7. THE INTERCREDITOR AGREEMENT

On or about the Issue Date, the Issuer and the Other Issuer Creditors entered into the Intercreditor Agreement. Under the Intercreditor Agreement provision is made as to the application of the proceeds from collections in respect of the Portfolio and as to the circumstances in which the Representative of the Noteholders will be entitled to exercise certain rights in relation to the Portfolio.

In the Intercreditor Agreement the Other Issuer Creditors have agreed, *inter alia*, to the order of priority of payments to be made out of the Issuer Available Funds. The obligations owed by the Issuer to the Noteholders and, in general, to the Other Issuer Creditors are limited recourse obligations of the Issuer. The Noteholders and the Other Issuer Creditors have a claim against the Issuer only to the extent of the Issuer Available Funds, in each case subject to and as provided in the Intercreditor Agreement and the other Transaction Documents.

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

The Intercreditor Agreement is governed by, and shall be construed in accordance with, Italian law.

8. THE CORPORATE SERVICES AGREEMENT

On or about the Issue Date, the Issuer and the Corporate Servicer entered into the Corporate Services Agreement, under which the Corporate Servicer has agreed to provide certain corporate administration and management services to the Issuer in relation to the Securitisation.

The Corporate Services Agreement is governed by, and shall be construed in accordance with, Italian law.

9. THE MANDATE AGREEMENT

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

The Mandate Agreement is governed by, and shall be construed in accordance with, Italian law.

10. THE DEED OF PLEDGE

On or about the Issue Date, the Issuer and the Representative of the Noteholders entered into the Deed of Pledge under which, without prejudice and in addition to any security, guarantee and other right provided by the Securitisation Law securing the discharge of the Issuer's obligations to the Noteholders, the Issuer has pledged in favour of the Noteholders and the Other Issuer Creditors (i) all monetary claims and rights and all the amount arising (including payment for claims, indemnities, damages, penalties, credits and guarantees) to which the Issuer is or will be entitled to from time to time pursuant to certain Transaction Documents, with the exclusion of the Portfolio and the Collections, and (ii) all the monies standing from time to time to the credit of each of the Issuer's Accounts (other than the Investment Account and the Management Fee Reserve Account, and with the exclusion of the Collections credited from time to time to the Collection Account). The security created pursuant to the Deed of Pledge will become enforceable upon the service of a Trigger Notice.

The Deed of Pledge is governed by, and shall be construed in accordance with, Italian law.

11. THE DEED OF CHARGE

On or about the Issue Date, the Issuer and the Representative of the Noteholders entered into the Deed of Charge under which, without prejudice and in addition to any security, guarantee and other right provided by the Securitisation Law securing the discharge of the Issuer's obligations to the Noteholders, the Issuer has granted a security interest, in favour of the Representative of the Noteholder (acting for itself and for the benefit of the Noteholders and the Other Issuer Creditors), over the sums standing to the credit of, and/or the securities deposited in, the Investment Account and in the Management Fee Reserve Account held by the Issuer with the English Account Bank pursuant to the Cash Allocation, Management and Payments Agreement.

The Deed of Charge is governed by, and shall be construed in accordance with, English law.

12. THE QUOTAHOLDERS' AGREEMENT

On or about the Issue Date, the Issuer, the Quotaholders and the Representative of the Noteholders entered into the Quotaholders' Agreement under which each Quotaholder has agreed, *inter alia*, not to amend the by-laws (*statuto*) of the Issuer (other than as otherwise required by any applicable law) and not to pledge, charge or dispose of the quotas of the Issuer without the prior written consent of the Representative of the Noteholders.

The Quotaholders' Agreement is governed by, and will be construed in accordance with, Italian law.

13. THE LISTING AGENT FEE LETTER

On or about the Issue Date, the Issuer and the Listing Agent entered into the Listing Agent Fee Letter under which the Listing Agent has agreed to provide certain services to the Issuer in connection with the listing of the Rated Notes.

The Listing Agent Fee Letter is governed by, and will be construed in accordance with, Italian law.