PROSPECTUS DATED 26 FEBRUARY 2020
pursuant to article 2 of Italian Law no. 130 of 30 April 1999

GOLDEN BAR (SECURITISATION) S.R.L.

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

€ 629,000,000 Class A-2020-1 Asset-Backed Fixed Rate Notes due September 2044

Issue price: 100 per cent.

€ 50,000,000 Class B-2020-1 Asset-Backed Fixed Rate Notes due September 2044

Issue price: 100 per cent.

This prospectus (the **Prospectus**) contains information relating to the issue by Golden Bar (Securitisation) S.r.l., a limited liability company (*società a responsabilità limitata*) incorporated under the laws of the Republic of Italy, with registered office at Via Principe Amedeo, 11, 10123 Turin, Italy, fiscal code and enrolment with the companies' register of Turin no. 13232920150, quota capital of Euro 10,000 fully paid-up, enrolled with the register of the special purpose vehicles held by the Bank of Italy pursuant to the Bank of Italy's regulation dated 7 June 2017 under no. 32474.9 (the **Issuer**), having as its sole corporate object the realisation of securitisation transactions pursuant to Italian Law no. 130 of 30 April 1999, as amended and/or supplemented from time to time (the **Securitisation Law**), of € 629,000,000 Class A 2020-1 Asset-Backed Fixed Rate Notes due September 2044 (the **Class A Notes** or the **Senior Notes**), the €50,000,000 Class B 2020-1 Asset-Backed Fixed Rate Notes due September 2044 (the **Class B Notes** or the **Mezzanine Notes**) and the € 67,498,000 Class Z-2020-1 Asset-Backed Variable Return Notes due September 2044 (the **Class Z Notes** or the **Junior Notes** and together with the Senior Notes and the Mezzanine Notes, the **Notes**).

Application has been made to the *Commission de Surveillance du secteur financier* (**CSSF**), in its capacity as competent authority under the Luxembourg Act dated 16 July 2019 relating to prospectuses for securities (the **Luxembourg Act**), for the approval of this Prospectus for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the **Prospectus Regulation**), relevant implementing measures in Luxembourg and Article 6(4) of the Luxembourg Act. By approving this Prospectus, in accordance with Article 20 of the Prospectus Regulation, the CSSF does not engage in respect of the economic or financial opportunity of the Securitisation or the quality and solvency of the Issuer in accordance with the provisions of Article 6(4) of the Luxembourg Act. Application has also been made to the Luxembourg Stock Exchange for the Class A Notes and the Class B Notes to be admitted to the official list of the Luxembourg Stock Exchange and to trading on the regulated market "Bourse de Luxembourg", which is a regulated market for the purposes of the Market in Financial Instruments Directive 2014/65/EU. **By approving this Prospectus, the CSSF shall give no undertaking as to the economic or financial opportuneness of the transaction or the quality and solvency of the Issuer. The CSSF has not reviewed and not approved any information regarding the Junior Notes.** The Junior Notes are not being offered pursuant to this Prospectus and no application has been or will be made to list the Junior Notes on any stock exchange.

This Prospectus has been approved by the CSSF as the competent authority under the Prospectus Regulation. The CSSF only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer.

This Prospectus constitutes a "*prospetto informativo*" for the Notes for the purposes of article 2, paragraph 3 of the Securitisation Law and a "*prospectus*" for the Senior Notes and the Mezzanine Notes for the purposes of Article 6, paragraph 3 of the Prospectus Regulation. This Prospectus will be published on the website of the Luxembourg Stock Exchange (being, as at the date of this Prospectus, www.bourse.lu).

Pursuant to Articles 12(1) and 21(8) of the Prospectus Regulation, this Prospectus will remain vaild until the expiry of 12 (twelve) months from the date on which it will obtain the CSSF's approval. Consequently, the obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply once this Prospectus is no longer valid.

Capitalised words and expressions in this Prospectus shall, except otherwise specified or so far as the context otherwise requires, have the meanings set out herein and in the section entitled "*Glossary of Terms*" below.

Information available at any website referred to throughout this Prospectus does not form part of this Prospectus and has been neither scrutinized nor approved by the CSSF, unless it is clearly stated that any such information is incorporated by reference.

The Notes will be issued on 27 February 2020 (the **Issue Date**). The Notes will be issued in bearer form (*al portatore*) and held in dematerialised form (*in forma dematerializzata*) on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli for the account of the relevant Monte Titoli Account Holders. The expression Monte Titoli Account Holders means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Monte Titoli and includes any depository banks appointed by Clearstream and Euroclear. The Notes will be accepted for clearance by Monte Titoli with effect from the Issue Date. The Notes will at all times be in book entry form and title to the Notes will be evidenced by book entry in accordance with the provisions of (i) article 83-*bis* of the Financial Laws Consolidated Act; and (ii) Regulation 13 August 2018. No physical document of title will be issued in respect of the Notes.

The Notes will constitute direct and limited recourse obligations solely of the Issuer backed by the Aggregate Portfolio. In particular, the Notes will not be obligations or responsibilities of, or guaranteed by, any person except the Issuer and no person other than the Issuer shall be liable in respect of any failure by the Issuer to make payment of any amount due on the Notes.

The principal source of payments of interest and repayment of principal on the Notes, as well as payment of Variable Return (if any) on the Class Z Notes, will be Collections and Recoveries received in respect of the Receivables arising from the Consumer Loans granted to certain Debtors by Santander Consumer Bank S.p.A. (**Santander Consumer Bank** or the **Seller**). Receivables have been purchased and will be purchased by the Issuer from Santander Consumer Bank pursuant to the terms of the Master Transfer Agreement. The Consumer Loans are granted to retail customers who are individuals (*persone fisiche*). The key features of the Receivables, the Consumer Loans and the Borrowers are described in the section entitled "*The Aggregate Portfolio*" below.

The Initial Portfolio was assigned and transferred by Santander Consumer Bank to the Issuer on the Initial Transfer Date pursuant to the terms of the Master Transfer Agreement and the relevant Purchase Price will be funded through the net proceeds of the issuance of the Notes on the Issue

Date. During the Revolving Period, subject to the terms and conditions of the Master Transfer Agreement, Santander Consumer Bank may assign and transfer to the Issuer, and the Issuer shall purchase from Santander Consumer Bank, Subsequent Portfolios of Receivables and the relevant Purchase Price will be funded through the Principal Available Funds which will be available for such purpose, in accordance with the Pre-Trigger Principal Priority of Payments.

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

The Notes will bear interest on their Principal Amount Outstanding from (and including) the Issue Date until final redemption or cancellation as provided for in Condition 8 (*Redemption, purchase and cancellation*). The rate of interest applicable to the Notes (the **Rate of Interest**) for each Interest Period will be: (a) in respect of the Class A Notes, a fixed rate equal to 0.15 per cent. per annum; (b) in respect of the Class B Notes, a fixed rate equal to 1.25 per cent. per annum; and (c) in respect of the Class Z Notes, a Variable Return (if any).

Interest in respect of the Notes will accrue on a daily basis and will be payable in Euro in arrears on each Payment Date in respect of the Interest Period ending immediately prior thereto, in accordance with the applicable Priority of Payments, and will be calculated on the basis of the actual number of days elapsed and a 360-day year.

In addition, a Variable Return may be payable on the Class Z Notes on each Payment Date, in accordance with the Terms and Conditions. The Variable Return payable on the Class Z Notes on each Payment Date will be equal to any Issuer Available Funds remaining after making all payments ranking in priority to the Variable Return on the Class Z Notes, in accordance with the applicable Priority of Payments and may be equal to 0 (zero).

The Rated Notes are expected to be assigned the following ratings on the Issue Date: (a) in respect of Class A Notes, "A(high) (sf)" by DBRS Ratings Limited (**DBRS**) and "Asf" by FITCH ITALIA – Società Italiana per Il Rating S.p.A. (**Fitch** and, together with DBRS, the **Rating Agencies**); and (b) in respect of Class B Notes, "BBB (sf)" by DBRS and "BBBsf" by Fitch. It is not expected that the Class Z Notes will be assigned a credit rating. **A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, revision or withdrawal at any time by the assigning rating organisation.** In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under Regulation (EC) no. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as subsequently amended (the **CRA Regulation**). As of the date of this Prospectus, each of the Rating Agencies is registered under the CRA Regulation, as evidenced in the latest update of the list published by the European Securities and Markets Authority (**ESMA**) on its website (being, as at the date of this Prospectus, *www.esma.europa.eu*).

The Class A Notes have been structured in a manner so as to allow Eurosystem eligibility. However, this does not necessarily mean that the Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life.

Before the Final MaturityDate (being the Payment Date falling in September 2044), the Notes will be subject to mandatory and/or optional redemption in whole or in part in certain circumstances provided for by Condition 8 (*Redemption, Purchase and Cancellation*). Unless previously redeemed in full or cancelled in accordance with the Terms and Conditions, the Notes will be redeemed on the Final Maturity Date. The Notes will be subject to mandatory redemption in full (or in part *pro rata* within each Class) on each Payment Date during the Amortisation Period, in accordance with Condition 8.2 (*Mandatory redemption*), if and to the extent that on each such Payment Date there will be sufficient Principal Available Funds which may be applied towards redemption of the Notes pursuant to the applicable Priority of Payments.

As at the date of this Prospectus, all payments of interest and other proceeds in respect of the Notes will be made free and clear of any withholding or deduction for or on account of Italian taxes, unless such a withholding or deduction is required to be made by Italian Legislative Decree no. 239 of 1 April 1996, as amended and/or supplemented from time to time and any related regulations (**Decree 239**) or otherwise by applicable law. If any withholding or deduction for or on account of tax (including any Decree 239 Deduction) is made in respect of any payment under the Notes, neither the Issuer nor any other person shall have any obligation to pay any additional amount(s) to any holder of the Notes on account of such withholding or deduction. For further details, see the section entitled "*Taxation*".

The Notes will be limited recourse obligations solely of the Issuer and, accordingly, the obligation of the Issuer to make payments under the Notes is limited to the Issuer Available Funds available to make such payments in accordance with the applicable Priority of Payments pursuant to Condition 9 (*Non Petition and Limited Recourse*). In particular, the Notes will not be obligations or responsibilities of, or guaranteed by, the Seller, the Servicer, the Representative of the Noteholders, the Computation Agent, the Spanish Account Bank, the Italian Account Bank, the Paying Agents, the Subordinated Loan Provider, the Corporate Services Provider, the Stichtingen Corporate Services Provider, the Quotaholders, the Back-up Servicer Facilitator or the Initial Subscriber. Furthermore, none of such persons accepts any liability whatsoever in respect of any failure by the Issuer to make payment of any amount due on the Notes.

The Notes are not intended to be offered, sold or otherwise made available to any retail investor in the European Economic Area. For these purposes, a **retail investor** means a person who is one (or more) of: (i) a retail client as defined in point (11) of article 4 (1) of MiFID II; or (ii) a customer within the meaning of Directive (UE) no. 2016/97 (**IMD**), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MiFID II. Accordingly, none of the Issuer or the Arranger or the Initial Subscriber expects to be required to prepare, and none of them has prepared, or will prepare, a "key information document" in respect of the Notes for the purposes of Regulation (EU) no. 1286/2014 of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (the **PRIIPs Regulation**) and therefore offering or selling the Notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPs Regulation.

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

Santander Consumer Bank, in its capacity as Seller, will: (i) retain, on an on-going basis, a material net economic interest of not less than 5 (five) per cent. in the Securitisation, in accordance with option (d) of article 6(3) of the Regulation (EU) no. 2402 of 12 December 2017 laying down a

general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation (the **EU Securitisation Regulation**) and the applicable Regulatory Technical Standards; (ii) not change the manner in which the net economic interest is held, unless expressly permitted by article 6(3) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards; (iii) procure that any change to the manner in which such retained interest is held in accordance with paragraph (ii) above will be notified to the Computation Agent to be disclosed in the Investors Report; and (iii) comply with the disclosure obligations imposed on originators under article 7(1)(e)(iii) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards, subject always to any requirement of law, provided that the Seller is only required to do so to the extent that the retention and disclosure requirements under the EU Securitisation Regulation and the applicable Regulatory Technical Standards are applicable to the Securitisation. In addition, the Seller has undertaken that the material net economic interest held by it shall not be split amongst different types of retainers and shall not be subject to any credit-risk mitigation or hedging, in accordance with article 6(3) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards. For further details see the section headed "*Subscription and Sale*".

The Seller does not intend to retain at least 5 per cent. of the credit risk of the Issuer for the purposes of the U.S. Risk Retention Rules, but rather intends to rely on an exemption provided for in Section __.20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Such non-U.S. transactions must meet certain requirements, including that (1) the transaction is not required to be and is not registered under the Securities Act; (2) no more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the securities are issued) of all classes of securities issued in the securitization transaction are sold or transferred to U.S. persons (in each case, as defined in the U.S. Risk Retention Rules) or for the account or benefit of U.S. persons (as defined in the U.S. Risk Retention Rules and referred to in this Prospectus as Risk Retention U.S. Persons); (3) neither the sponsor nor the issuer is organised under U.S. law or is a branch located in the United States of a non-U.S. entity; and (4) no more than 25 per cent. of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer organised or located in the United States.

There will be restrictions on the sale of the Notes and on the distribution of information in respect thereof. For further details, see the section headed "*Subscription and Sale*".

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

Arranger

BANCO SANTANDER S.A.

Responsibility statements

None of the Issuer, the Servicer, the Representative of the Noteholders, the Computation Agent, the Spanish Account Bank, the Italian Account Bank, the Paying Agents, the Subordinated Loan Provider, the Corporate Services Provider, the Stichtingen Corporate Services Provider, the Quotaholders, the Back-up Servicer Facilitator, the Arranger, the Initial Subscriber or any other party to the Transaction Documents other than the Seller has undertaken or will undertake any investigation, search or other action to verify the details of the Receivables and the Consumer Loan Agreements or to establish the creditworthiness of the Borrowers. In the Warranty and Indemnity Agreement, the Seller has given certain representations and warranties in favour of the Issuer in relation to, inter alia, *the Receivables, the Consumer Loan Agreements and the Borrowers*.

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

Santander Consumer Bank, in its capacity as Seller, Subordinated Loan Provider, Reporting Entity, Servicer and Initial Subscriber, has provided the information included in this Prospectus under the sections headed "The Aggregate Portfolio", "Santander Consumer Bank" and "The Credit and Collection Policies", the "Santander Group" in relation to itself and any other information contained in this Prospectus relating to itself, the Santander Consumer Bank banking group, the collection and underwriting procedures relating to the Aggregate Portfolio, the relevant Receivables and Consumer Loans and, together with the Issuer, accepts responsibility for such information. Santander Consumer Bank has also provided the historical data used as assumptions to make the calculations contained in the section headed "Estimated Weighted Average Life of the Senior Notes and the Mezzanine Notes" on the basis of which the information and assumptions contained in the same section have been extrapolated and, together with the Issuer, accepts responsibility for such historical data. The Issuer accepts responsibility for the other information and assumptions contained in such section as described above. To the best of the knowledge and belief of Santander Consumer Bank (having taken all reasonable care to ensure that such is the case) the information and data in relation to which it accepts responsibility as described above are in accordance with the facts and do not contain any omission likely to affect the import of such information and data; more specifically, said information and data have been accurately reproduced and the Issuer may ascertain from information published by Santander Consumer Bank that no facts have been omitted which would render the reproduced information inaccurate or misleading.

*Banco Santander S.A. (**Banco Santander**), in its capacity as Spanish Account Bank, has provided the information included in this Prospectus under the section headed "The Santander Group" in relation to itself and, together with the Issuer, accepts responsibility for the information provided by itself. To the best of the knowledge and belief of Banco Santander (having taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and contains no omission likely to affect its import; more specifically, said information and data have been accurately reproduced and the Issuer may ascertain from information published by Banco Santander that no facts have been omitted which would render the reproduced information inaccurate or misleading.*

*Santander Consumer Finance, S.A. (**Santander Consumer Finance**), in its capacity as Back-up Servicer Facilitator, has provided the information included in this Prospectus under the section headed "The Santander Group" in relation to itself and, together with the Issuer, accepts responsibility for the information provided by itself. To the best of the knowledge and belief of Santander Consumer Finance (having taken all reasonable care to ensure that such is the case) such information is in accordance with the facts and contains no omission likely to affect its import; more specifically, said information and data*

have been accurately reproduced and the Issuer may ascertain from information published by Santander Consumer Finance that no facts have been omitted which would render the reproduced information inaccurate or misleading.

*Citibank N.A., Milan Branch (**Citibank, Milan Branch**), in its capacity as Italian Account Bank and Local Paying Agent, and Citibank N.A., London Branch (**Citibank, London Branch**) in its capacity as Computation Agent and Principal Paying Agent, respectively, have provided the information included in this Prospectus under the section headed "Citibank Group" and, together with the Issuer, accept responsibility for the information contained in such section. To the best of the knowledge and belief of each of Citibank, Italian Branch and Citibank, London Branch (having taken all reasonable care to ensure that such is the case) such information is in accordance with the facts and contains no omission likely to affect its import; more specifically, said information and data have been accurately reproduced and the Issuer may ascertain from information published by Citibank, Milan Branch and/or Citibank, London Branch that no facts have been omitted which would render the reproduced information inaccurate or misleading.*

*Securitisation Services S.p.A. (**Securitisation Services**), in its capacity as Representative of the Noteholders, has provided the information included in this Prospectus under the section headed "The Representative of the Noteholders" and, together with the Issuer, accepts responsibility for the information contained in such section. To the best of the knowledge and belief of Securitisation Services (having taken all reasonable care to ensure that such is the case) such information is in accordance with the facts and contains no omission likely to affect its import; more specifically, said information and data have been accurately reproduced and the Issuer may ascertain from information published by Securitisation Services that no facts have been omitted which would render the reproduced information inaccurate or misleading.*

No person has been authorised to give any information or to make any representation not contained in this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of Santander Consumer Bank (in any capacity), the Representative of the Noteholders, the Computation Agent, the Spanish Account Bank, the Italian Account Bank, the Paying Agents, the Subordinated Loan Provider, the Corporate Services Provider, the Stichtingen Corporate Services Provider, the Quotaholders, the Back-up Servicer Facilitator, the Arranger or any other party. Neither the delivery of this Prospectus nor any sale or allotment made in connection with the offering of any of the Notes shall, under any circumstances, constitute a representation or imply that there has been no change in the affairs of the Issuer or the Seller or in the information contained herein since the date hereof or that the information contained herein is correct as at any time subsequent to the date hereof.

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

Interest material to the offer

Save as described under the section headed "Subscription and Sale" and in the section headed "Risk factors - Certain material interests", so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

Representations about the Notes

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

Limited recourse

The Notes will constitute direct and limited recourse obligations solely of the Issuer backed by the Aggregate Portfolio. In particular, the Notes will not be obligations or responsibilities of, or guaranteed by, Santander Consumer Bank (in any capacity), the Representative of the Noteholders, the Computation Agent, the Spanish Account Bank, the Account Bank, the Paying Agents, the Subordinated Loan Provider, the Corporate Services Provider, the Stichtingen Corporate Services Provider, the Quotaholders, the Back-up Servicer Facilitator, the Arranger or any other party. Furthermore, none of such persons accepts any liability whatsoever in respect of any failure by the Issuer to make payment of any amount due on the Notes.

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

The Noteholders will agree that the Issuer Available Funds will be applied by the Issuer in accordance with the applicable Priority of Payments.

Other business relations

In addition to the interests described in this Prospectus, prospective noteholders should be aware that the Arranger and its related entities, associates, officers or employees (each a ***Relevant Entity****) may be involved in a broad range of transactions including, without limitation, banking, dealing in financial products, credit, derivative and liquidity transactions, investment management, corporate and investment banking and research in various capacities in respect of the Notes, the Issuer or any party to the Transaction Documents, both on their own account and for the account of other persons. As such, each Relevant Entity may have various potential and actual conflicts of interest arising in the ordinary course of its business. For example, a Relevant Entity's dealings with respect to the Notes, the Issuer or any other party to the Transaction Documents may affect the value of the Notes as the interests of this Relevant Entity may conflict with the interests of a Noteholder, and that Noteholder may suffer loss as a result. To the maximum extent permitted by applicable law, no Relevant Entity is restricted from entering into, performing or enforcing its rights in respect of the Transaction Documents or the interests described above and may continue or take steps to further or protect any of those interests and its business even where to do so may be in conflict with the interests of Noteholders. The Relevant Entities may in so doing act without notice to, and without regard to, the interests of the Noteholders or any other person.*

Selling Restrictions

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

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the ***Securities Act****) or any other state securities laws and are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes may not be offered or sold within the United States or for the benefit of U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the securities registration requirements of the Securities Act. The Notes are in dematerialised form and are subject to U.S. tax law requirements. The Notes are being offered for sale*

outside the United States in accordance with Regulation S under the Securities Act (see the section headed "Subscription and Sale").

The Notes may not be offered or sold directly or indirectly, and neither this Prospectus nor any other prospectus or any form of application, advertisement, other offering material or other information relating to the Issuer or the Notes may be issued, distributed or published in any country or jurisdiction (including the Republic of Italy, the United Kingdom and the United States), except under circumstances that will result in compliance with all applicable laws, orders, rules and regulations. For a further description of certain restrictions on offers and sales of the Notes and the distribution of this Prospectus, see the section headed "Subscription and Sale".

Neither this Prospectus nor any other information supplied in connection with the issue of the Notes should be considered as a recommendation or an invitation or an offer by the Issuer, Santander Consumer Bank, the Arranger or any other party to the Transaction Documents that any recipient of this Prospectus, or of any other information supplied in connection with the issue of the Notes, should purchase any of the Notes. Each investor contemplating purchasing any of the Notes must make its own independent investigation and appraisal of the financial condition and affairs of the Issuer. To the fullest extent permitted by law, the Arranger does not accept any responsibility whatsoever for the contents of this Prospectus or for any other statement, made or purported to be made by the Arranger or on their respective behalf, in connection with the Issuer, the Seller, any other party to the Transaction Documents or the issue and offering of the Notes. The Arranger accordingly disclaims all and any liability, whether arising in tort or contract or otherwise, which they might otherwise have in respect of this Prospectus or any such statement.

The Arranger does not make any representation, recommendation or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the information contained herein or in any further information, notice or other document which may at any time be supplied by the Issuer in connection with the Notes and accordingly, the Arranger does not accept any responsibility or liability therefore.

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

Forward-Looking Statements

This Prospectus contains statements that constitute forward-looking statements. Words such as "believes", "anticipates", "expects", "estimates", "intends", "plans", "will", "may", "should" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. These statements include those regarding the intent, belief or current expectation of the Seller and its officers with respect to, among other things: (a) the financial condition of the Seller and the characteristics of its strategy, products or services; (b) the Seller's plans, objectives or goals, including those related to products or services; (c) statements of future economic performance and (d) assumptions underlying those statements.

Forward-looking statements are not guarantees of future performance and involve risks and uncertainties and actual results may differ from those in the forward-looking statements as a result of various factors. Accordingly, prospective purchasers of the Notes should not rely on such forward-looking statements. The information in this Prospectus, including the information set out in the section headed "Risk Factors", "The Aggregate Portfolio" and "Santander Consumer Bank" identifies important factors that could cause such differences including, inter alia*, a change in the overall economic conditions in Italy, change in the Seller's financial condition and the effect of new legislation or government regulations (or new interpretation of existing legislation or government regulations) in Italy. Such forward-looking statements speak only as at the date of this Prospectus. Accordingly, no party to the Transaction Documents undertakes any obligation to update or revise any of them whether as a result of new information, future events or otherwise. No party to the Transaction Documents makes any representation, warranty or prediction that the results anticipated by such forward-looking statements will be achieved and such forward-looking statements represent, in each case, only one of the many possible scenarios and should not be viewed as the most likely standard scenario. Moreover, no assurance can be given that any of the historical information, trends or practices mentioned and described in the Prospectus are indicative of future results or events.*

PRIIPs / EEA Retail Investors

The Notes are not intended to be offered, sold or otherwise made available to any retail investor in the European Economic Area. For these purposes, a ***retail investor*** *means a person who is one (or more) of: (i) a retail client as defined in point (11) of article 4 (1) of MiFID II; or (ii) a customer within the meaning of Directive (UE) no. 2016/97 (****IMD****), where that customer would not qualify as a professional client as defined in point (10) of article 4(1) of MiFID II. Accordingly, none of the Issuer or the Arranger or the Initial Subscriber expects to be required to prepare, and none of them has prepared, or will prepare, a "key information document" in respect of the Notes for the purposes of Regulation (EU) no. 1286/2014 of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (the* ***PRIIPs Regulation****) and therefore offering or selling the Notes or otherwise making them available to any retail investor in the European Economic Area may be unlawful under the PRIIPs Regulation.*

MIFID II product governance / Professional investors and ECPs only target market

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, ***MiFID II****); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a* ***distributor****) should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.*

Interpretation

The language of the Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law. Words and expressions in this Prospectus shall, except so far as the context otherwise requires, have the same meanings as those set out in the section headed "Glossary of Terms". These and other terms used in this Prospectus are subject to the definitions of such terms set out in the Transaction Documents, as they may be amended from time to time.

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

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

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RISK FACTORS

Investing in the Notes involves certain risks. Moreover the Notes are complex instruments which involve a high degree of risk and are suitable for purchase only by sophisticated investors which are capable of understanding the risk involved. In particular the Notes should not be purchased by or sold to individuals and other non-expert investors. As such, investors should make their own assessment as to the suitability of investing in the securities.

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Notes are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes may, exclusively or concurrently, occur for other unknown reasons at the date of this Prospectus. While the various structural elements described in this Prospectus are intended to lessen some of these risks for the Noteholders, there can be no assurance that these measures will be sufficient or effective to ensure payment of interest and repayment of principal on the Notes on a timely basis or at all. Additional risks and uncertainties not presently known to the Issuer or that it currently believes to be immaterial could also have a material impact on its business operations.

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

CATEGORY OF RISK FACTORS 1: RISK FACTORS RELATED TO THE ISSUER

Application of the Securitisation Law has a limited application

As at the date of this Prospectus, limited interpretation of the application of the Securitisation Law has been issued by any Italian governmental or regulatory authority. Consequently, it is possible that such authorities may issue further regulations relating to the Securitisation Law or to the interpretation thereof, the impact of which cannot be predicted by the Issuer or any other party as at the date of this Prospectus.

Issuer's ability to meet its obligations under the Notes

The ability of the Issuer to meet its obligations in respect of the Notes will be dependent on the receipt by the Issuer of (i) Collections and Recoveries made on its behalf by the Servicer in respect of the Aggregate Portfolio; (ii) the support provided by the Cash Reserve; (iii) the support provided by the Set-off Reserve (if any); and (iv) any other amounts required to be paid to the Issuer by other counterparts of the Issuer pursuant to the terms of the relevant Transaction Documents. The performance by such parties of their respective obligations under the relevant Transaction Documents is dependent on the solvency of each relevant party. Consequently, there is no assurance that, over the life of the Notes or at the redemption date of any Class of Notes (whether on the Final Maturity Date, upon redemption by acceleration of maturity following the service of a Trigger Notice or otherwise), there will be sufficient funds to enable the Issuer to pay interest on the Notes or to repay the Notes in full.

Liquidity and Credit Risk

The Issuer is subject to the risk of delay arising between the receipt of payments due from the Borrowers and each Scheduled Instalment Date. This risk is mitigated, in respect of the Class A Notes and the Class B Notes, through the establishment of the Cash Reserve and by the credit support provided by the Junior Notes.

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

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

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

No independent investigation in relation to the Receivables

None of the Issuer or the Arranger, nor any other party to the Transaction Documents (other than the Seller) has carried out any due diligence in respect of the Consumer Loan Agreements, nor has any of them undertaken or will undertake any investigation, search or other action to verify the details of the Receivables assigned and transferred by the Seller to the Issuer, nor has any of such persons undertaken, nor will any of them undertake, any investigation, search or other action to establish the creditworthiness of any of the Debtors/Borrowers. There can be no assurance that the assumptions used in modelling the cash flows of the Receivables and the Aggregate Portfolio accurately reflect the status of the underlying Consumer Loan Agreements.

The Issuer will rely instead on the representations and warranties given by the Seller in the Warranty and Indemnity Agreement. The only remedies of the Issuer in respect of the occurrence of a breach of a representation and warranty relating to any Consumer Loan will be the requirement that the Seller repurchases such Receivables and/or indemnifies the Issuer for the damage deriving therefrom, in both cases, subject to the terms and conditions of the Warranty and Indemnity Agreement. There can be no assurance, however, that the Seller will have the financial resources to honour such obligations. For further details, see the section headed "*Description of the Warranty and Indemnity Agreement*".

Commingling risk

The Issuer is subject to the risk that certain Collections may be lost or frozen in case of insolvency of the relevant Account Bank or the Servicer.

Indeed, although article 3, paragraphs 2-*bis* and 2-*ter*, of the Securitisation Law provides that the sums credited to the accounts opened in the name of the Issuer or the Servicer with an Italian account bank (whether before or during the relevant insolvency proceeding of such account bank) will not be subject to suspension of payments or will not be deemed to form part of the estate of the relevant accunt bank/servicer and shall be immediately and fully repaid to the Issuer, without the need to file any petition (*domanda di ammissione al passivo o di rivendica*) and wait for the distributions (*riparti*) and the restitutions of sums (*restituzioni di somme*), such provisions of the Securitisation Law have not been the subject of any official interpretation and to date they have been commented by a limited number of legal commentators. Consequently, there remains a degree of uncertainty with respect to the interpretation and application thereof.

Prospective Noteholders should note that, in order to mitigate any possible risk of commingling (i) pursuant to the Cash Allocation, Management and Payment Agreement, it is required that the relevant Account Bank shall at all times be an Eligible Institution, and (ii) under the Servicing Agreement, the Servicer has undertaken to transfer any Collections received or recoverd by itself onto the Collections Account within 1 (one) Business Day from the Date of Receipt. In addition, pursuant to the Servicing Agreement, in case of termination of the appointment of Santander Consumer Bank as Servicer, the Borrowers will be instructed to pay any amount due in respect of the Receivables directly into the Collection Account. For further details, please refer to the sections headed "*Description of the Cash Allocation, Management and Payments Agreement*" and "*Description of the Servicing Agreement*".

In addition to the above, pursuant to the Spanish Deed of Pledge, the Issuer has, *inter alia*, created a Spanish law pledge over the credit rights arising from the Collection Account and the Cash Reserve Account opened in the name of the Issuer with the Spanish Account Bank, including all of its present and future rights, title and interest in or to such Collection Account and the Cash Reserve Account and all amounts (including interest) standing from time to time to the credit of, or accrued or accruing on such Accounts in favour of the Representative of the Noteholders, acting in its own name and on behalf of the Noteholders and the Other Issuer Creditors. For further details, please refer to the sections headed "*Description of the Spanish Deed of Pledge*".

Credit Risk on the Seller and the other parties to the Transaction Documents

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

It is not certain that a substitute servicer could be found to service the Aggregate Portfolio in the event that the Servicer becomes insolvent or its appointment under the Servicing Agreement is otherwise terminated. Any delay or inability to appoint a Back-up Servicer or a Substitute Servicer may affect payments on the Notes. On the other hand, if such a substitute servicer is found it is not certain whether such substitute servicer would service the Aggregate Portfolio on the same terms as those provided for in the Servicing Agreement. The ability of the Back-up Servicer (if appointed) or any Substitute Servicer to fully perform the required services will depend, inter alia, on the information, software and record available to it at the time of its appointment. Such risk is mitigated by the provision of the Servicing Agreement pursuant to which, if a Servicer's Owner First Rating Event occurs, the Issuer shall, within 30 (thirty) days from the occurrence of such event, appoint a Back-up Servicer willing to replace the Servicer should the Servicing Agreement be terminated for any reason. The Back-up Servicer will, *inter alia*, (i) need to satisfy the requirements of a successor servicer provided for by the Servicing Agreement; (ii) undertake to enter into an agreement substantially in the form of the Servicing Agreement; and (iii) assume all the duties and obligations applicable to it as provided for by the Transaction Documents.

Moreover, under the Intercreditor Agreement, Santander Consumer Finance has undertaken to act as Back-up Servicer Facilitator with the task of selecting the Back-up Servicer on behalf of the Issuer. For further details, see the section entitled "*Description of the Intercreditor Agreement*".

Receivables of unsecured creditors of the Issuer

By virtue of the operation of article 3 of the Securitisation Law and the Transaction Documents, the Issuer's rights, title and interest in and to the Aggregate Portfolio, any monetary claim accrued by the Issuer in the context of the Securitisation, the relevant collections and the financial assets purchased through such collections will be segregated from all other assets of the Issuer (including any other receivables purchased by the Issuer pursuant to the Securitisation Law). Therefore, any cash-flow deriving therefrom (to the extent identifiable) will be exclusively available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, the Other Issuer Creditors and any other creditors of the Issuer in respect of any fees, costs, and expenses in relation to the Securitisation. Amounts deriving from the Aggregate Portfolio will not be available to any other creditor of the Issuer. However, under Italian law, any creditor of the Issuer who has a valid and unsatisfied claim may file a petition for the bankruptcy of the Issuer, although no creditors other than the Representative of the Noteholders on behalf of the Noteholders and the Other Issuer Creditors would have the right to claim in respect of the Receivables, even in the event of bankruptcy of the Issuer.

The Issuer is unlikely to have a large number of creditors unrelated to the Securitisation, the Previous Securitisations or any Further Securitisation because (i) the corporate object of the Issuer, as contained in its by-laws (*statuto*) is very limited and (ii) under the Terms and Conditions, the Issuer has undertaken to the Noteholders, *inter alia*, not to engage in any activity whatsoever which is not incidental to or necessary in connection with any Further Securitisation or with any of the activities in which the Transaction Documents provide and envisage that the Issuer will engage. Accordingly, the Issuer is less likely to have creditors who would claim against it other than the ones related to the Further Securitisations (carried out pursuant to Condition 5.2 (*Covenants - Further Securitisations and corporate existence*)), if any, the Noteholders and the Other Issuer Creditors (all of whom have agreed to non-petition provisions contained in the Transaction Documents) and the other third parties creditors in respect of any fees, costs, and expenses incurred in relation to such securitisations and in order to preserve the corporate existence of the Issuer, to maintain it in good standing and to comply with applicable legislation.

Nonetheless, there remains the risk that the Issuer may incur unexpected expenses. To such end, to the extent that the Issuer incurs any Expenses, the Issuer has established the Expenses Account, to which the Retention Amount shall be credited on the Issue Date and refilled on each Payment Date in accordance with the applicable Priority of Payments and out of which the amounts standing to the credit thereof will be used to pay, during each Interest Period, the Expenses falling due in the relevant Interest Period and, after the Payment Date on which the Notes will be redeemed in full or cancelled, any known Expenses not yet paid and any Expenses falling due after such Payment Date.

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

Enforcement of certain Issuer's rights may be prevented by statue of limitations

Certain rights of the Issuer under the Transaction Documents may become barred under statutes of limitation by operation of law. In particular, there is a possibility that the 1 (one) year statute of limitation period set out in article 1495 of the Italian civil code could be held to apply to some or all of the representations and warranties given by the Seller in the Warranty and Indemnity Agreement, on the ground that such provisions may not be derogated from by the parties to a sale contract (*contratto di compravendita*) (such as the Master Transfer Agreement and, with respect to each Subsequent Portfolio, the relevant Transfer Agreement).

However, under the Warranty and Indemnity Agreement the Seller and the Issuer have acknowledged and agreed that the provisions of article 1495 of the Italian civil code shall not apply to the representations and warranties given by the Seller thereunder.

CATEGORY OF RISK FACTORS 2: RISK FACTORS RELATED TO THE NOTES

Suitability

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

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

If an investor does not properly assess the nature of the Notes and the extent of its exposure to the relevant risks before making its investment decision, it may suffer losses. Therefore, prospective investors in the Notes should make their own independent decision whether to invest in the Notes and whether an investment

in the Notes is appropriate or proper for them, based upon their own judgement and upon advice from such advisers as they may deem necessary.

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

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

Noteholders cannot rely on any person other than the Issuer to make payments to Noteholders on the Notes

The Notes will be limited recourse obligations solely of the Issuer and will not be the responsibility of, or be guaranteed by, any other entity. In particular, the Notes will not be obligations or responsibilities of or guaranteed by any of the Seller, the Servicer, the Representative of the Noteholders, the Arranger or any other party to the Transaction Documents. None of such parties, other than the Issuer, will accept any liability whatsoever in respect of any failure by the Issuer to make any payment of any amount due under the Notes.

Limited sources of payments to Noteholders

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

Moreover, the Notes are divided into different classes which may be subordinated to one another so that the timing for repayment of each class of Notes is different. In particular:

- prior to the delivery of a Trigger Notice, in respect of the obligation of the Issuer to pay interest on the Notes:

  (a) the Class A Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to the Class B Notes and the Class Z Notes;

  (b) the Class B Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to the Class Z Notes, but subordinated to the Class A Notes; and

  (c) the Class Z Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves, but subordinated to the Class A Notes and the Class B Notes;

- prior to the delivery of a Trigger Notice, in respect of the obligation of the Issuer to repay principal on the Notes:

  (a) the Class A Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to the Class B Notes and the Class Z Notes;

  (b) the Class B Notes will rank *pari passu* and pro rata without preference or priority amongst themselves, in priority to the Class Z Notes but subordinated to the Class A Notes, and

(c) the Class Z Notes will rank pari passu and pro rata without preference or priority amongst themselves, but subordinated to the Class A Notes and the Class B Notes;

- following the delivery of a Trigger Notice, in respect of the obligation of the Issuer to pay interest and repay principal on the Notes:

(a) the Class A Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to the Class B Notes and the Class Z Notes;

(b) the Class B Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to the Class Z Notes, but subordinated to the Class A Notes; and

(c) the Class Z Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves, but subordinated to the Class A Notes and the Class B Notes.

Limited recourse nature of the Notes

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

Yield and prepayment considerations - estimated weighted average life of the Senior Notes and the Mezzanine Notes

The yield to maturity of the Notes of each Class will depend on, *inter alia*, the amount and timing of repayment of principal on the Receivables (including prepayments and sale proceeds arising on enforcement of a Consumer Loan) and on the actual date (if any) of exercise of the optional redemption pursuant to Condition 8.3 (*Optional redemption for clean-up call*), Condition 8.4 (*Optional Redemption – Time Call Option*) and Condition 8.5 (*Redemption for taxation reasons*). Such yield may be adversely affected by a number of factor, including, without limitation, higher or lower than anticipated rates of prepayment, delinquency and default of the Receivables, the exercise by the Seller of its right to repurchase individual Receivables or the outstanding Portfolios pursuant to the Master Transfer Agreement, the renegotiation by the Servicer of any of the terms and conditions of the Consumer Loans in accordance with the provisions of the Servicing Agreement and/or the early redemption of the Notes pursuant to the Conditions.

Pursuant to article 125-*sexies* of the Consolidated Banking Act, in case of Prepayment of any Consumer Loan, the relevant Debtor is entitled to the reduction of the aggregate cost of the financing for an amount equal to the Residual Recurring Costs. As a result of such reduction, the Seller would be under the obligation to repay to the Issuer a portion of the Individual Purchase Price of the relevant Receivables relating to the relevant prepaid Consumer Loan in an amount equal to the relevant Undue Amounts. Under the Master Transfer Agreement it has been agreed that such repayment obligation shall be discharged through the payment by the Seller in favour of the Issuer of an amount equal to any Undue Amounts which arise upon any Prepayment. Moreover, following the occurrence of a Set-Off Reserve Trigger Event, the risks connected with the Undue Amounts will be mitigated by the Set-Off Reserve to be created in the Set-Off Reserve Account. The Issuer will credit to the Set-Off Reserve Account an amount equal to the Target Set-Off Reserve Amount using the proceeds of the Subordinated Loan. For further details, see the sections headed "*The Accounts*" and "*Credit Structure*".

Nevertheless, the rate of prepayment of the Consumer Loans cannot be predicted and is influenced by a wide variety of economic, social and other factors, including prevailing consumer and ordinary loans market interest rates and margins offered by the banking system, the availability of alternative financing and local and regional economic conditions. Therefore, no assurance can be given as to the level of prepayments that the Consumer Loans will experience.

As a result, the stream of principal payments received by a Noteholder may not be uniform or consistent. No assurance can be given as to the yield to maturity which will be experienced by a Noteholder. Based, *inter alia*, on assumed rates of Prepayment, the estimated average life of the Senior Notes and the Mezzanine Notes is set out in the section headed "*Estimated Weighted Average Life of the Senior Notes and the Mezzanine Notes*". However, the actual characteristics and performance of the Consumer Loans may differ from such assumptions and any difference will affect the percentages of the Principal Amount Outstanding of the Senior Notes and the Mezzanine Notes over time and the weighted average life of the Senior Notes and the Mezzanine Notes. For further details, see the section headed "*Estimated Weighted Average Life of the Senior Notes and the Mezzanine Notes*".

Individual Noteholders have limited enforcement rights

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

Only the Representative of the Noteholders may pursue the remedies available under the general law or under the Transaction Documents to obtain payment of any obligation of the Issuer deriving from any of the Transaction Documents or enforce the Note Security and no Noteholder shall be entitled to proceed directly against the Issuer to obtain payment of any such obligation or to enforce the Note Security, save as provided by the Transaction Documents and the Rules of the Organisation of the Noteholders.

The Representative of the Noteholders and potential conflicts of interest

Conflict of interest may exist or may arise as a result of any party to the Securitisation (a) having previously engaged or in the future engaging in transactions with other parties to the Securitisation, (b) having multiple roles in the Securitisation, and/or (c) carrying out other transactions for third parties.

In addition, the Seller may hold and/or service receivables arising from loans other than the Receivables and providing general financial services to the Debtors/Borrowers. Even though under the Servicing Agreement the Servicer has undertaken to renegotiate the terms of the Consumer Loans and/or enter into settlement agreements with the Debtors only having regard primarily to the interests of the Issuer and the Noteholders, it cannot be excluded that, in certain circumstances, a conflict of interest may arise with respect to other relationships with the same Debtors.

As such, Conflict of interest may influence the performance by the parties to the Transaction Documents of their respective obligations under the Securitisation and ultimately affect the interests of the Noteholders. Nevertheless, pursuant to the Terms and Conditions and the Intercreditor Agreement, the Representative of the Noteholders, with respect to the exercise and performance of all its powers, authorities, duties and discretion under the Transaction Documents (except where expressly provided otherwise), shall have regard to the interests of both the Noteholders and the Other Issuer Creditors provided that if, in the opinion of the Representative of the Noteholders, there is a conflict between the interests of the Noteholders and the Other Issuer Creditors, the Representative of the Noteholders shall have regard solely to the interests of the Noteholders. In addition, if at any time there is, in the opinion of the Representative of the Noteholders, a conflict between the interests of the Other Issuer Creditors, then the Representative of the Noteholders shall have regard to the interests of whichever of the Other Issuer Creditors ranks higher in the applicable Priority of Payments for the payment of the amounts therein specified. Finally, if there is, in the opinion of the Representative of the Noteholders, a conflict between the interests of different Classes of Noteholders, then the Representative of the Noteholders is required to have regard to the interests of the Most Senior Class of Noteholders only.

Noteholders' directions following the service of a Trigger Notice

Following the service of a Trigger Notice, the Issuer may (subject to the consent of the Representative of the Noteholders) or the Representative of the Noteholders may (or shall if so requested by an Extraordinary

Resolution of the Most Senior Class of Noteholders) direct the Issuer to, dispose of the Aggregate Portfolio, subject to the terms and conditions of the Intercreditor Agreement.

In addition, at any time after a Trigger Notice has been served, the Representative of the Noteholders may at its sole discretion or shall, if so directed by an Extraordinary Resolution of the Most Senior Class of Noteholders, take such steps and/or institute such proceedings against the Issuer as it may think fit to ensure repayment of the Notes and payment of accrued but unpaid interest thereon in accordance with the Post-Trigger Priority of Payments.

Resolutions of the Noteholders

Resolutions properly adopted in accordance with the Rules of the Organisation of the Noteholders are binding on all Noteholders. Therefore certain rights of each Noteholder against the Issuer under the Terms and Conditions may be limited pursuant to any such Resolution.

In particular, pursuant to the Rules of the Organisation of the Noteholders any resolution that is passed by the Most Senior Class of Noteholders shall be binding on the other Classes of Notes irrespective of the effect thereof on their interests. As such, prospective Noteholders should note that these provisions permit defined majorities to bind all Noteholders, including Noteholders who did not attend and vote at the relevant Meeting and Noteholders who voted in a manner contrary to the Meeting.

Limited secondary market

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

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

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

Limited nature of credit ratings assigned to the Class A Notes and the Class B Notes and effect on the market value of the Rated Notes of reduction or withdrawal of the assigned ratings

Each credit rating expected to be assigned on the Issue Date to the Class A Notes and the Class B Notes will reflect the relevant Rating Agencies' assessment only of the likelihood that interest will be paid on each Payment Date and principal will be paid by the Final Maturity Date, not that it will be paid when expected or scheduled. These ratings will be based, among other things, on the reliability of the payments on the Aggregate Portfolio and the availability of credit enhancement.

The ratings do not address, *inter alia*, the following:

(a) the likelihood that the principal will be redeemed on the Rated Notes, as expected, on the Final Maturity Date;

(b) the possibility of the imposition of Italian or European withholding tax;

(c) the marketability of the Class A Notes and the Class B Notes, or any market price for the Class A Notes and the Class B Notes; or

(d) whether an investment in the Class A Notes and the Class B Notes is a suitable investment for the relevant Noteholder.

Future events such as any deterioration of the Portfolios, the unavailability or the delay in the delivery of information, the failure by the parties to the Transaction Documents to perform their obligations under the Transaction Documents and the revision, suspension or withdrawal of the unsecured, unsubordinated and unguaranteed debt rating of third parties involved in the Securitisation could have an adverse impact on the credit ratings of the Rated Notes, which may be subject to revision or withdrawal at any time by the assigning Rating Agency. In addition, in the event of downgrading of the unsecured, unsubordinated and unguaranteed debt rating of third parties involved in the Securitisation, there is no guarantee that the Issuer will be in a position to secure a replacement for the relevant third party or there may be a significant delay in securing such a replacement and, consequently, the rating of the Rated Notes may be affected.

A rating is not a recommendation to purchase, hold or sell the Class A Notes or the Class B Notes. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor or the Tax-exempt nature or taxability of payments made in respect of any security. In addition, EU regulated investors (such as investment firms, insurance and reinsurance undertakings, UCITS funds and certain hedge fund managers) are restricted from using a rating issued by a credit rating agency established in the European Union for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by European Securities and Markets Authority on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated European Securities and Markets Authority's list.

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

Assignment of unsolicited ratings may affect the market value of the Rated Notes

The Issuer has not requested a rating of the Notes by any rating agency other than the Rating Agencies.

However, credit rating agencies other than the Rating Agencies could seek to rate the Rated Notes and, if such unsolicited ratings are lower than the comparable ratings assigned to the Rated Notes by the Rating Agencies, those shadow ratings could have an adverse effect on the market value of the Rated Notes. For the avoidance of doubt and unless the context otherwise requires, any references to "ratings" or "rating" in this Prospectus are to ratings assigned by the specified Rating Agencies only.

No certainty as to recognition of the Class A Notes as eligible collateral for ECB liquidity and/or open market transactions

The Class A Notes have been structured in a manner so as to allow Eurosystem eligibility. However, this does not necessarily mean that the Class A Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria and, in accordance with its policies, will not be given prior to issue of the Class A Notes. If the Class A Notes are accepted for such purposes, Eurosystem may amend or withdraw any such approval in relation to the Class A Notes at any time.

In the event that the Class A Notes are not recognised (or cease to be recognised) as an eligible collateral for Eurosystem operations, the holders of the Class A Notes would not be able to access the ECB funding. In such case, there is no assurance that the holders of the Class A Notes will find alternative sources of funding or, should such alternative sources be found, these will be at equivalent economic terms compared to those applied by the ECB. In the absence of suitable sources of funding, the holders of the Class A Notes may ultimately suffer a lack of liquidity.

Neither the Issuer nor the Arranger or any other party to the Transaction Documents (i) gives any representation or warranty as to whether Eurosystem will ultimately confirm that the Class A Notes are eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystern for such purpose; and (ii) will have any liability or obligation in relation thereto if the Class A Notes are at any time deemed ineligible for such purposes.

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

In Europe, the U.S. and elsewhere there is increased political and regulatory scrutiny of the asset-backed securities industry. This has resulted in a raft of measures for increased regulation which are currently at various stages of implementation and which may have an adverse impact on the regulatory capital charge to certain investors in securitisation exposures and/or the incentives for certain investors to hold asset-backed securities, and may thereby affect the liquidity of such securities. Investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer, the Arranger or any other party to the Transaction Documents makes any representation to any prospective investor or purchaser of the Notes regarding the regulatory capital treatment of their investment in the Notes on the Issue Date or at any time in the future.

In particular, prospective investors should note that the Basel Committee on Banking Supervision (**BCBS**) has approved significant changes to the Basel regulatory capital and liquidity framework (such changes being commonly referred to as **Basel III**), including certain revisions to the securitisation framework. Basel III provides for a substantial strengthening of existing prudential rules, including new requirements intended to reinforce capital standards (with heightened requirements for global systemically important banks) and to establish a leverage ratio "backstop" for financial institutions and certain minimum liquidity standards (referred to as the Liquidity Coverage Ratio (**LCR**) and the Net Stable Funding Ratio (**NSFR**)). BCBS member countries agreed to implement Basel III from 1 January 2013, subject to transitional and phase-in arrangements for certain requirements (e.g. the LCR requirements refer to implementation from the start of 2015, with full implementation by January 2019, and the NSFR requirements refer to implementation from January 2018). As implementation of any changes to the Basel framework (including those made via Basel III) requires national legislation, the final rules and the timetable for its implementation in each jurisdiction, as well as the treatment of asset-backed securities (e.g. as LCR eligible assets or not), may be subject to some level of national variation. It should also be noted that changes to regulatory capital requirements have been made for insurance and reinsurance undertakings through participating jurisdiction initiatives, such as the Solvency II framework in Europe.

In addition, prospective investors should be aware that certain EU regulations provide for certain retention and due diligence requirements which shall be applied, or are expected to be applied in the future, with respect to various type of regulated investors (including, *inter alia*, credit institutions, investment firms or other financial institutions, authorised alternative investment fund managers, insurance and reinsurance

companies and UCITS funds) which intend to invest in a securitisation transaction. Among other things, such requirements restrict a relevant investor from investing in asset-backed securities unless (i) that relevant investor is able to demonstrate that it has undertaken certain due diligence in respect of various matters including its note position, the underlying assets and (in the case of certain types of investors) the relevant sponsor or originator and (ii) the originator, sponsor or original lender in respect of the relevant securitisation has explicitly disclosed to the investor that it will retain, on an on-going basis, a net economic interest of not less than 5 (five) per cent in respect of certain specified credit risk tranches or asset exposures. Failure to comply with one or more of the requirements may result in various penalties including, in the case of those investors subject to regulatory capital requirements, the imposition of a proportional additional risk weight on the notes acquired by the relevant investor. The retention and due diligence requirements hereby described apply, or are expected to apply, in respect of the Notes. Relevant investors are required to independently assess and determine the sufficiency of the information described above for the purposes of complying with any relevant requirements and none of the Issuer, the Representative of Noteholders, Santander Consumer Bank (in any capacity), the Arranger or any other Transaction Party makes any representation that the information described above is sufficient in all circumstances for such purposes.

Prospective investors in the Notes who are uncertain as to the requirements that will need to be complied with in order to avoid the additional regulatory charges for non-compliance with the applicable provisions and any implementing rules in a relevant jurisdiction should seek guidance from their regulator.

It should be noted that the European authorities have adopted and finalised two new regulations related to securitisation (being Regulation (EU) 2017/2402 and Regulation (EU) 2017/2401) which apply in general from 1 January 2019. Amongst other things, the regulations include provisions intended to implement the revised securitisation framework developed by BCBS (with adjustments) and provisions intended to harmonise and replace the risk retention and due diligence requirements (including the corresponding guidance provided through technical standards) applicable to certain EU regulated investors. There are material differences between the new requirements and the previous requirements including with respect to certain matters to be verified under the due diligence requirements, as well as with respect to the application approach under the retention requirements and the originator entities eligible to retain the required interest. Further differences arise under the corresponding guidance which will apply under the new risk retention requirements, which guidance will be made through new technical standards. However, securitisations established prior to the application date of 1 January 2019 that do not involve the issuance of securities (or otherwise involve the creation of a new securitisation position) from that date should remain subject to the current requirements and should not be subject to the new risk retention and due diligence requirements in general. In general, the new regulations (including the retention and due diligence requirements) apply to securitisations the securities of which are issued on or after the application date of 1 January 2019, including securitisations established prior to the date where further securities are issued on or after 1 January 2019. Accordingly, the new requirements apply in respect of the Notes.

Relevant investors are required to independently assess and determine the sufficiency of the information described above for the purposes of complying with any relevant requirements and none of the Issuer, the Representative of Noteholders, the Seller, the Arranger or any other party to the Transaction Documents makes any representation that the information described above is sufficient in all circumstances for such purposes.

Prospective investors should make themselves aware of the changes and requirements described above (and any corresponding implementing rules of their regulator), where applicable to them, in addition to any other applicable regulatory requirements with respect to their investment in the Notes. The matters described above and any other changes to the regulation or regulatory treatment of the Notes for some or all investors may negatively impact the regulatory position of individual investors and, in addition, have a negative impact on the price and liquidity of the Notes in the secondary market. For further details, see the risk factors headed "*Investors have to comply with the due diligence requirements under the EU Securitisation Regulation*" and "*Uncertainity in relation to the disclosure requirements under CRA Regulation and EU Securitisation Regulation*" below.

EU Secutitisation Regulation has introduced new requirements some of which are not yet in final form

On 12 December 2017, the European Parliament adopted the EU Securitisation Regulation which applies from 1 January 2019. The EU Securitisation Regulation creates a single set of common rules for European "institutional investors" (as defined in the EU Securitisation Regulation) as regards (i) risk retention, (ii) due diligence, (iii) transparency, and (iv) underwriting criteria for loans to be comprised in securitisation pools. Such common rules replace the existing provisions in CRR, the AIFM Regulation and the Solvency II Regulation and introduce similar rules for UCITS management companies as regulated by the UCITS Directive and institutions for occupational retirement provisions falling within the scope of Directive (EU) 2016/2341 or an investment manager or an authorised entity appointed by an institution for occupational retirement provisions pursuant to article 32 of Directive (EU) 2016/2341.

The risk retention, transparency, due diligence and underwriting criteria requirements described above apply in respect of the Notes. Investors should therefore make themselves aware of such requirements (and any corresponding implementing rules made at the national level), where applicable to them, in addition to any other regulatory requirements applicable to them with respect to their investment in the Notes. Prospective investors are required to independently assess and determine the sufficiency of the information contained in this Prospectus or made available by the Issuer and the Seller for the purposes of complying with any relevant requirements and none of the Issuer, the Seller, the Reporting Entity, the Arranger, the Representative of the Noteholders or any other party to the Transaction Documents makes any representation that such information is sufficient in all circumstances for such purposes.

Various parties to the Securitisation are subject to the requirements of the EU Securitisation Regulation. However, there is at present some uncertainty in relation to some of these requirements, including with regard to the risk retention requirements under article 6 of the EU Securitisation Regulation and transparency obligations imposed under article 7 of the EU Securitisation Regulation. The Regulatory Technical Standards relating to such requirements are not in final form or have not been adopted yet. Therefore, the final scope of application of such Regulatory Technical Standards and the compliance of the Securitisation with the same is not assured. Non-compliance with final Regulatory Technical Standards may adversely affect the value, liquidity of, and the amount payable under the Notes. Prospective investors in the Notes must make their own assessment in this regard.

Investors have to comply with due diligence requirements under the EU Securitisation Regulation

Investors should be aware of the due diligence requirements under article 5 of the EU Securitisation Regulation that apply to institutional investors with an EU nexus (including credit institutions, authorised alternative investment fund managers, investment firms, insurance and reinsurance undertakings, institutions for occupational retirement provision and UCITS funds). Amongst other things, such requirements restrict an institutional investor (other than the originator, sponsor or original lender within the meaning of the EU Securitisation Regulation) from investing in securitisation positions unless, prior to holding the securitisation position:

(a) that institutional investor has verified that:

  (i) for certain originators, certain credit-granting standards were met in relation to the origination of the underlying exposures;

  (ii) the risk retention requirements set out in article 6 of the EU Securitisation Regulation are being complied with; and

  (iii) information required by article 7 of the EU Securitisation Regulation has been made available; and

(b) that institutional investor has carried out a due diligence assessment which enables it to assess the risks involved, which shall include at least (among other things) the risk characteristics of its securitisation position and the underlying exposures of the securitisation, and all the structural features of the transaction that can materially impact the performance of its securitisation position.

In addition, under article 5(4) of the EU Securitisation Regulation, an institutional investor (other than the originator, sponsor or original lender) holding a securitisation position shall at least establish appropriate

written procedures that are proportionate to the risk profile of the securitisation position and, where relevant, to the institutional investor's trading and non-trading book, in order to monitor, on an ongoing basis, compliance with its due diligence requirements and the performance of the securitisation position and of the underlying exposures.

Depending on the approach in the relevant EU Member State, failure to comply with one or more of the due diligence requirements may result in penalties including fines, other administrative sanctions and possibly criminal sanctions. In the case of those institutional investors subject to regulatory capital requirements, penal capital charges may also be imposed on the securitisation position (i.e., notes) acquired by the relevant institutional investor.

The institutional investor due diligence requirements described above apply in respect of the Notes. Relevant institutional investors are required to independently assess and determine the sufficiency of the information contained in this Prospectus for the purposes of complying with article 5 of the EU Securitisation Regulation and any corresponding national measures which may be relevant to investors.

Aspects of the requirements and what is or will be required to demonstrate compliance to national regulators remain unclear and are still evolving. Prospective investors who are uncertain as to the requirements that will need to be complied with in order to avoid the consequences of the non-compliance should seek guidance from their regulator.

Uncertainty in relation to the disclosure requirements under CRA Regulation and EU Securitisation Regulation

The CRA Regulation provides for certain additional disclosure requirements for structured finance instruments within the meaning of Commission Delegated Regulation (EU) no. 2015/3 of 30 September 2014 (**SFIs**). Such disclosure will need to be made via a website to be set up by ESMA. The Commission Delegated Regulation no. 2015/3 of 30 September 2014, which contains regulatory technical standards adopted by the European Commission to implement provisions of the CRA Regulation, came into force on 26 January 2015. These regulatory technical standards apply from 1 January 2017. In relation to an SFI issued or outstanding on or after the date of application of Commission Delegated Regulation no. 2015/3 of 30 September 2014, the issuer, originator and sponsor are required to comply with the reporting requirements. In its press release, dated 27 April 2016, ESMA communicated to the public that it is unlikely that ESMA will make available the SFI-website on which the reports on outstanding SFIs must be made available by 1 January 2017 or that it will be able to publish the technical instructions which ESMA must prepare pursuant to article 8b of the CRA Regulation by that date. In the press release ESMA concluded that the reporting obligations under the CRA Regulation for SFIs may possibly be replaced by obligations based on new rules to be adopted and to be included in the EU Securitisation Regulation. Accordingly, pursuant to the obligations set forth in article 7(2) of the EU Securitisation Regulation, the originator, sponsor and securitisation special purpose entity (**SSPE**) of a securitisation shall designate amongst themselves one entity to submit the information set out in points (a), (b), (d), (e), (f) and (g) of the first subparagraph of article 7(1) of the EU Securitisation Regulation, which includes the prospectus issued in the context of the offer of notes in a securitisation transaction, to a regulated securitisation repository. The securitisation repository, which authorisation requirements are set out in chapter 4 of the EU Securitisation Regulation, will in turn disclose information on securitisation transactions to the public. With the application of these provisions, the disclosure requirements of the CRA Regulation concerning SFI's are also addressed.

The Notes are issued after 1 January 2019. Consequently, the disclosure requirements of article 7 of the EU Securitisation Regulation apply in respect of the Notes. Such disclosure requirements replace the disclosure requirements stemming from the provisions of law applicable prior to 1 January 2019, including the requirements stemming from the CRA Regulation concerning SFI's as a result of the repealing of article 8b of the CRA Regulation as set forth in article 40 of the EU Securitisation Regulation. On 22 August 2018, ESMA published its Final Report on securitisation disclosure technical standards (RTS/ITS) which included draft reporting templates, but on 31 January 2019, ESMA published a document headed "Opinion regarding amendments to ESMA's draft regulatory technical standards on disclosure requirements under the EU Securitisation Regulation which included revised draft reporting templates". As at the date of this Prospectus, such disclosure technical standards are still subject to review by the European Commission and

not yet adopted in a binding delegated regulation of the European Commission. The transitional provision of article 43(8) of the EU Securitisation Regulation applies and, consequently, disclosures in respect of the Notes must be made in accordance with the requirements of Annexes I to VIII of Commission Delegated Regulation (EU) no. 2015/3 of 30 September 2014. In a joint statement of the European Supervisory Authorities published on 30 November 2018, the European Supervisory Authorities confirmed that with the repealing of article 8b of the CRA Regulation effective since 1 January 2019 and until the ESMA reporting templates to be used to meet the reporting requirements under article 7 Securitisation Regulation will be available, the national competent authority will be required to make a case-by-case assessment when examining the compliance with the disclosure requirements of the EU Securitisation Regulation, taking into account the type and extent of information being disclosed by the reporting entity. As at the date of this Prospectus, no national competent authority has been designated in some European countries, including Italy. In addition, there remains uncertainty as to the nature and detail of the information to be published, the manner in which it will need to be published and what the consequences would be for the Issuer, related third parties and investors resulting from any potential non-compliance by the Issuer with the reporting obligations.

Neither the Issuer, the Arrangers, the Representative of the Noteholders or any other Transaction Party and any of their respective affiliates:

(i) gives any representation (whether express or implied), warranty, confirmation or guarantee to any investor in the Notes (i) that the Securitisation does or continues to comply with the EU Securitisation Regulation, (ii) that the information described in this Prospectus, or any other information which may be made available to investors, is or will be sufficient for the purposes of any institutional investor's compliance with any investor requirement set out in article 5 of the EU Securitisation Regulation, (v) that investors in the Notes shall have the benefit of the differentiated capital treatment set out in articles 260, 262 and 264 of the CRR, as amended, from the Issue Date until the full redemption of the Notes;

(ii) has or shall have any liability to any prospective investor or any other person for any insufficiency of such information or any non-compliance by any such person with the due diligence and retention rules set out in articles 5 and 6 of the EU Securitisation Regulation or any other applicable legal, regulatory or other requirements, nor has any obligation to provide any further information or take any other steps that may be required by any institutional investor to enable compliance by such person with the requirements of any due diligence and investor requirement or any other applicable legal, regulatory or other requirements.

The Originator intends to rely on an exemption from U.S. Risk Retention requirements

Section 941 of the Dodd-Frank Act amended the Exchange Act to generally require the "securitizer" of a "securitization transaction" to retain at least 5 per cent. of the "credit risk" of "securitized assets", as such terms are defined for purposes of that statute, and generally prohibit a securitizer from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the credit risk that the securitizer is required to retain. Final rules implementing the statute (the **U.S. Risk Retention Rules**) came into effect on 24 December 2016 with respect to non-RMBS securitisations. The U.S. Risk Retention Rules provide that the securitiser of an asset backed securitisation is its sponsor. The U.S. Risk Retention Rules also provide for certain exemptions from the risk retention obligation that they generally impose.

The Seller (originator of the securitized Receivables) does not intend to retain at least 5 per cent. of the credit risk of the Issuer for the purposes of the U.S. Risk Retention Rules and the issuance of the Notes was not designed to comply with the U.S. Risk Retention Rules, the Seller intends to rely on an exemption provided for in Section __.20 of the U.S. Risk Retention Rules regarding non-U.S. transactions. Such non-U.S. transactions must meet certain requirements, including that (1) the transaction is not required to be and is not registered under the Securities Act; (2) no more than 10 per cent. of the dollar value (or equivalent amount in the currency in which the securities are issued) of all classes of securities issued in the securitisation transaction are sold or transferred to U.S. persons (in each case, as defined in the U.S. Risk Retention Rules) or for the account or benefit of U.S. persons (as defined in the U.S. Risk Retention Rules and referred to in this Prospectus as Risk Retention U.S. Persons); (3) neither the sponsor nor the issuer is

organised under U.S. law or is a branch located in the United States of a non-U.S. entity; and (4) no more than 25 per cent. of the underlying collateral was acquired from a majority-owned affiliate or branch of the sponsor or issuer organised or located in the United States.

The Seller has advised the Issuer that it has not acquired, and it does not intend to acquire more than 25 per cent. of the assets from an affiliate or branch of the Seller or the Issuer that is organised or located in the United States.

Prospective investors should note that the definition of "U.S. person" in the U.S. Risk Retention Rules is different from the definition of "U.S. person" under Regulation S. The definition of U.S. person in the U.S. Risk Retention Rules is excerpted below. Particular attention should be paid to clauses (b) and (h), which are different than comparable provisions from Regulation S.

Under the U.S. Risk Retention Rules, and subject to limited exceptions, "U.S. person" means any of the following:

(c) any natural person resident in the United States;

(d) any partnership or corporation organised or incorporated under the laws of the United States;

(e) any estate of which any executor or administrator is a U.S. person (as defined under any other clause of this definition);

(f) any trust of which any trustee is a U.S. person (as defined under any other clause of this definition);

(g) any agency or branch of a foreign entity located in the United States;

(h) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person (as defined under any other clause of this definition);

(i) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and

(j) any partnership, corporation, limited liability company, or other organisation or entity if:

  (i) organised or incorporated under the laws of any foreign jurisdiction; and

  (ii) formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in 17 CFR 230.501(a)) who are not natural persons, estates or trusts.

Consequently, the Notes may not be purchased by any person except for persons that are not Risk Retention U.S. Persons and where such purchase falls within the exemption provided for in Section _.20 of the U.S. Risk Retention Rules. Each holder of a Note or a beneficial interest acquired in the initial syndication of the Notes, by its acquisition of a Note or a beneficial interest in a Note, will be deemed to and, in certain circumstances, will be required to, represent to the Issuer, the Seller and the Arranger that it (1) is not a Risk Retention U.S. Person, (2) is acquiring such Note or a beneficial interest therein for its own account and not with a view to distribute such Note and (3) is not acquiring such Note or a beneficial interest therein as part of a scheme to evade the requirements of the U.S. Risk Retention Rules (including acquiring such Note through a non-Risk Retention U.S. Person, rather than a Risk Retention U.S. Person, as part of a scheme to evade the 10 per cent. Risk Retention U.S. Person limitation in the exemption provided for in Section _.20 of the U.S. Risk Retention Rules described herein).

Failure on the part of the Seller to comply with the U.S. Risk Retention Rules (regardless of the reason for such failure to comply) could give rise to regulatory action against the Seller which may adversely affect the Notes and the ability of the Seller to perform its obligations under the Transaction Documents.

Furthermore, a failure by the Seller to comply with the U.S. Risk Retention Rules could negatively affect the value and secondary market liquidity of the Notes.

None of the Arranger, the Seller, the Issuer or any of their affiliates makes any representation to any prospective investor or purchaser of the Notes as to whether the transactions described in this Prospectus comply as a matter of fact with the U.S. Risk Retention Rules on the Issue Date or at any time in the future. Investors should consult their own advisors as to the U.S. Risk Retention Rules. No predictions can be made as to the precise effects of such matters on any investor or otherwise.

The Bank Recovery and Resolution Directive may apply to some parties to the Transaction Documents

The directive providing for the establishment of a framework for the recovery and resolution of credit institutions and investment firms (Directive 2014/59/EU) (the **BRRD**) entered into force on 2 July 2014.

The BRRD is designed to provide authorities with a credible set of tools to intervene sufficiently early and quickly in an unsound or failing institution so as to ensure the continuity of the institution's critical financial and economic functions, while minimising the impact of an institution's failure on the economy and financial system.

The BRRD contains four resolution tools and powers which may be used alone or in combination where the relevant resolution authority considers that (a) an institution is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such institution within a reasonable timeframe, and (c) a resolution action is in the public interest: (i) sale of business, which enables resolution authorities to direct the sale of the firm or the whole or part of its business on commercial terms; (ii) bridge institution, which enables resolution authorities to transfer all or part of the business of the firm to a "bridge institution" (an entity created for this purpose that is wholly or partially in public control); (iii) asset separation, which enables resolution authorities to transfer impaired or problem assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only); and (iv) bail-in, which gives resolution authorities the power to write down certain claims of unsecured creditors of a failing institution and to convert certain unsecured debt claims to equity.

The BRRD also provides for a Member State as a last resort, after having assessed and exploited the above resolution tools to the maximum extent possible whilst maintaining financial stability, to be able to provide extraordinary public financial support through additional financial stabilisation tools. These consist of the public equity support and temporary public ownership tools. Any such extraordinary financial support must be provided in accordance with the EU state aid framework.

The BRRD applies, *inter alia*, to (i) credit institutions, (ii) investments firms, and (iii) financial institutions that are established in the European Union when the financial institution is a subsidiary of a credit institution or investment firm and is covered by the supervision of the parent undertaking on a consolidated basis.

The BRRD provides that it shall be applied by Member States from 1 January 2015, except for the general bail-in tool which is to be applied from 1 January 2016. The BRRD has been implemented in Italy through the adoption of two Legislative Decrees by the Italian Government, namely, Legislative Decrees no. 180/2015 and 181/2015 (together, the **BRRD Decrees**), both of which were published in the Italian Official Gazette (*Gazzetta Ufficiale*) on 16 November 2015. Legislative Decree no. 180/2015 is a stand-alone law which implements the provisions of BRRD relating to resolution actions, while Legislative Decree no. 181/2015 amends the existing Consolidated Banking Act and deals principally with recovery plans, early intervention and changes to the creditor hierarchy. The BRRD Decrees entered into force on the date of publication on the Italian Official Gazette (i.e. 16 November 2015), save that: (i) the general bail-in tool applied from 1 January 2016; and (ii) a "depositor preference" granted for deposits other than those protected by the deposit guarantee scheme and excess deposits of individuals and SME's will apply from 1 January 2019.

The BRRD may apply to some parties to the Transaction Documents. It should thus be noted that the powers set out in the BRRD may impact how credit institutions and investment firms are managed as well as, in

certain circumstances, the rights of creditors. As the BRRD has only recently been implemented in Italy and other Member States, there is material uncertainty as to the effects of any application of it in practice.

Volcker Rule may restrict the ability of relevant individual prospective purchaser to invest in the Notes

The Issuer is being structured so as not to constitute a "covered fund" for purposes of the regulations adopted to implement Section 619 of the Dodd-Frank Act (such statutory provision together with such implementing regulations, the **Volcker Rule**).

The Volcker Rule generally prohibits "banking entities" broadly defined to include U.S. banks, bank holding companies and foreign banking organisations, together with their respective subsidiaries and other affiliates) from (i) engaging in proprietary trading in financial instruments, (ii) acquiring or retaining any "ownership interest" in, or in "sponsoring" a "covered fund" and (iii) entering into certain transactions with such funds subject to certain exemptions and exclusions.

An "ownership interest" is defined widely and may arise through a holder's exposure to the profits and losses of the "covered fund", as well as through certain rights of the holder to participate in the selection or removal of an investment advisor, investment manager, or general partner, trustee, or member of the board of directors of the "covered fund". A "covered fund" is defined widely, and includes any issuer which would be an investment company under the Investment Company Act of 1940 (the **ICA**) but is exempt from registration solely in reliance on section 3(c)(1) or 3(c)(7) of that Act, subject to certain exemptions found in the Volcker Rule's implementing regulations.

Not all investment vehicles or funds, however, fall within the definition of a "covered fund" for the purposes of the Volcker Rule. For example, for most non-U.S. banking entities, a non-U.S. issuer that offers its securities only to non-U.S. persons may be considered not to be a "covered fund". Additionally, the Issuer should not be a "covered fund" for the purposes of the regulations adopted to implement Section 619 of the Volcker Rule, and also should be able to rely on an exemption from the definition of investment company under Section 3(c)(5)(A) of the Investment Company Act, although there may be additional exclusions or exemptions available to the Issuer. However, if the Issuer is deemed to be a "covered fund", the provisions of the Volcker Rule and its related regulatory provisions, will severely limit the ability of "banking entities" to hold an "ownership interest" in the Issuer or enter into certain credit related financial transactions with the Issuer and this could adversely impact the ability of the banking entity to enter into new transactions with the Issuer and may require amendments to certain existing transactions and arrangements. "Ownership interest" is defined to include, among other things, interests arising through a holder's exposure to profits and losses in the covered fund or through any right of the holder to participate in the selection of an investment manager or advisor or the board of directors of such covered fund.

The Volcker Rule and any similar measures introduced in another relevant jurisdiction may restrict the ability of relevant individual prospective purchasers to invest in the Notes and, in addition, may have a negative impact on the price and liquidity of the Notes in the secondary market. There is limited interpretive guidance regarding the Volcker Rule, and implementation of the regulatory framework for the Volcker Rule is still evolving. The Volcker Rule's prohibitions and lack of interpretive guidance could negatively impact the liquidity and value of the Notes. Any entity that is a "banking entity" as defined under the Volcker Rule and is considering an investment in "ownership interests" of the Issuer should consult its own legal advisors and consider the potential impact of the Volcker Rule in respect of such investment and on its portfolio generally. Each investor must determine for itself whether it is a "banking entity" subject to regulation under the Volcker Rule. If investment by "banking entities" in the Notes of any Class is prohibited or restricted by the Volcker Rule, this could impair the marketability and liquidity of such Notes. None of the Issuer, the Arranger or any other party to the Transaction Documents makes any representation regarding (i) the status of the Issuer under the Volcker Rule or (ii) the ability of any purchaser to acquire or hold the Notes, now or at any time in the future.

CATEGORY OF RISK FACTORS 3: RISK FACTORS RELATED TO THE UNDERLYING ASSETS

Performance of the Aggregate Portfolio

The Initial Portfolio comprises, and each Subsequent Portfolio will comprise, Receivables deriving from Consumer Loans. For further details, see the section entitled "*The Aggregate Portfolio*". There can be no guarantee that (i) the Debtors will not default under such Consumer Loans or that they will continue to perform thereunder; or (ii) the Insurance Companies will perform their obligations under the Insurance Policies. It should be noted that adverse changes in economic conditions may affect the ability of the Debtors/Borrowers to repay the Consumer Loans.

The recovery of overdue amounts in respect of the Consumer Loans will be affected by the length of enforcement proceedings in respect of the Consumer Loans, which in the Republic of Italy can take a considerable amount of time depending on the type of action required and where such action is taken. Factors which can have a significant effect on the length of the proceedings include the following: (i) certain courts may take longer than the national average to enforce the Consumer Loans, and (ii) more time will be required for the proceedings if it is necessary first to obtain a payment injunction (*decreto ingiuntivo*) or if any Debtor/Borrower raises a defence or counterclaim to the proceedings.

Recoveries under the Consumer Loans

Following default by a Debtor/Borrower under a Consumer Loan, the Servicer will be required to take steps to recover the sums due under the Consumer Loan in accordance with its credit and collection policies and the terms of the Servicing Agreement. In principle, the Consumer Loan Agreements provide that, if a Receivable qualifies as an Delinquent Receivable or Defaulted Receivable, the Seller is entitled to take steps to terminate its agreement with the relevant Debtor under the Consumer Loan and to require immediate repayment of all amounts advanced and/or due under the relevant Consumer Loan in accordance with its terms. For further details, see the sections entitled "*Description of the Servicing Agreement*" and "*The Credit and Collection Policies*" below.

The Servicer may take steps to recover the deficiency from any Debtor/Borrower. Such steps could include an out-of-court settlement; however, legal proceedings may be taken against the relevant Debtor/Borrower if the Servicer is of the view that the potential recovery would exceed the costs of the enforcement measures. In such event, due to the complexity of and the time involved in carrying out legal or insolvency proceedings against the Debtor/Borrower and the possibility for challenges, defences and appeals by the Debtor/Borrower, there can be no assurance that any such proceedings would result in the payment in full of outstanding amounts under the relevant Consumer Loan.

In the Republic of Italy, a lender which has received a judgment against a debtor in default may enforce the judgment through a forced sale of the debtor's (or guarantor's) goods (*pignoramento mobiliare*) or real estate assets (*pignoramento immobiliare*), if the lender has previously been granted a court order or injunction to pay amounts in respect of any outstanding debt or unperformed obligation.

The average length of time for a forced sale of debtor's goods, from the court order or injunction of payment to the final sharing-out, is about three years. The average length of time for a forced sale of a debtor's real estate asset, from the court order or injunction of payment to the final sharing-out, is between six and seven years. In the medium-sized central and northern Italian cities it can be significantly less, whereas in major cities or in southern Italy the duration of the procedure can significantly exceed the average.

Estimates of the cost for the enforcement of security interests have to be made on a case by case basis. The creditor is required to pay, in advance, the expenses of the judicial enforcement proceeding (including the fees of the expert appointed by the court to appraise the assets subject to enforcement).

Attachment proceedings may also be commenced on due and payable receivables of a borrower (such as bank accounts, salary, etc.) or on a borrower's moveable property which is located on a third party's premises.

Principal Deficiency Ledger

When a Receivables is declared as a Defaulted Receivable, the Issuer will be obliged to record any principal deficiencies in the Principal Deficiency Ledger (for further details, see the section headed "*Credit Structure*").

If there are insufficient funds available as a result of such principal deficiencies, then one or more of the following consequences may ensue:

(a) the Issuer's interest and other net income may not be sufficient, after making the payments to be made in priority thereto, to pay, in full or at all, interest due on the Senior Notes, the Mezzanine Notes and/or the Junior Notes;

(b) there may be insufficient funds to redeem the Senior Notes, the Mezzanine Notes and/or the Junior Notes at their face value unless, prior to the Final Maturity Date, the Issuer's interest and other net income is sufficient, after making other payments to be made in priority thereto, to reduce to nil the debit provision in the Principal Deficiency Ledger; and

if the aggregate debit balances, notwithstanding any reduction as aforesaid, exceed the aggregate face of the value of the Mezzanine Notes and the Junior Notes, the Senior Noteholders may not receive by way of principal repayment the full face value of their Senior Notes.

Italian consumer protection legislation contains certain protections in favour of debtors

The Initial Portfolio comprises, and each Subsequent Portfolio will comprise, only Receivables deriving from loans qualifying as "consumer loans", i.e. loans extended to individuals (the "consumers") acting outside the scope of their entrepreneurial, commercial, craft or professional activities.

In Italy, consumer loans are regulated by, *inter alia*: (a) articles 121 to 126 of the Consolidated Banking Act and (b) regulation of the Bank of Italy dated 29 July 2009, entitled "*Trasparenza delle operazioni e dei servizi bancari e finanziari. Correttezza delle relazioni tra intermediari e clienti*" (as amended from time to time, the **Transparency Regulation**). Under the current legislation, consumer loans are only those granted for amounts respectively lower and higher than the maximum and minimum levels set by article 122, paragraph 1, letter a) of the Consolidated Banking Act, such levels being currently set at € 75,000 and € 200, respectively.

The following risks, *inter alia*, could arise in relation to a consumer loan contract:

(a) pursuant to paragraphs 1 and 2 of article 125-*quinquies* of the Consolidated Banking Act, borrowers under consumer loan agreements linked to supply contracts have the right to terminate the relevant contract with the lender following a default by the supplier, provided that (i) they have previously and unsuccessfully made the *costituzione in mora* of the supplier and (ii) such default meets the conditions set out in article 1455 of the Italian civil code. In case of termination of the consumer loan contract, the lender must reimburse all instalments and sums paid by the consumer. However, the lender has the right to claim these payments from the relevant defaulting supplier. Pursuant to paragraph 4 of article 125-*quinquies* of the Consolidated Banking Act, borrowers are entitled to exercise against the assignee of any lender under such consumer loan agreements any of the defences mentioned under paragraphs 1 to 3 of the same article, which they had against the original lender. In addition, with respect to insurance policies financed by the originators/lenders (where the premium is paid up-front by the originators to the insurance companies and then reimbursed to the originators/lenders by the borrowers as a part of the loan instalments), it is uncertain whether such insurance policies may qualify as linked contracts and, as such, would confer on the borrowers the right to terminate the relevant loan agreements or at least claim a refund of the unearned premium from the issuer upon default of the insurance companies. On the basis of the principles of the Italian civil code it could be reasonably argued that, should the insurance policies qualify as linked contracts, upon default of the insurance companies the borrowers would be entitled to claim only a refund of the portion of the loan financing the premium. However, it should be noted that, as at the date of this Prospectus, no decision has been expressed by any Italian court in respect of this issue.

In this respect, prospective Noteholders should note that, pursuant to the Warranty and Indemnity Agreement, Santander Consumer Bank has undertaken to indemnify and keep the Issuer harmless from any damage, loss, claim, cost and/or expense that the Issuer has incurred or may incur as a result of the inability of the Issuer to collect or recover any Receivables due to the exercise by the Borrowers of any claim or counterclaim (including by way of set-off) against the Seller;

(b) pursuant to paragraph 1 of article 125-*sexies* of the Consolidated Banking Act, borrowers under consumer loan contracts have the right to prepay any consumer loan without penalty and with the additional right to a *pro rata* reduction in the aggregate costs and interests of the loan. It should, however, be noted that, in the event of prepayment by the borrower, the lender, under certain circumstances, is entitled to a compensation equal to 1 per cent. of the prepaid amount of the consumer loan if the residual duration of the consumer loan is longer than one year, and equal to 0.5 per cent. of the same amount, if shorter;

(c) pursuant to paragraph 1 of article 125-*septies* of the Consolidated Banking Act, debtors are entitled to exercise, against the assignee of a lender under a consumer loan contract, any defence (including set-off) which they had against the original lender, in derogation to the provisions of article 1248 of the Italian civil code (that is even if the borrower has accepted the assignment or has been notified thereof). On the other hand, pursuant to article 4 of the Securitisation Law (as recently amended by Italian Law no. 9 of 21 February 2014) in derogation of any other provision, with effect from the date of publication of the notice of transfer in the Official Gazette or following the implementation of the formalities provided for under Law 52, the relevant assigned debtors are not entitled to set-off any claim vis-à-vis the assignor arisen after such date against any payment owed to the issuer. The Initial Portfolio includes, and each Subsequent Portfolio may include, also Debtors holding deposits with the Seller. Such circumstance may increase the risk of exercise of set-off rights by the Debtors against the Seller which may negatively affect the cash-flows deriving from the Receivables. In order to mitigate such risk of set-off, under the Warranty and Indemnity Agreement, the Seller has given certain representations and warranties and undertaken certain indemnity obligations aimed at addressing and protecting the Issuer from such set-off risk. For further details, see the section entitled "*Description of the Warranty and Indemnity Agreement*"; moreover, following the occurrence of a Set-Off Reserve Trigger Event, the risk of any shortfall due to the exercise of set-off rights by the Debtors against the Seller's and the latter's inability to comply with the aforementioned indemnity obligations provided for by the Warranty and Indemnity Agreement is further mitigated by the Set-Off Reserve to be created in the Set-Off Reserve Account. For further details, see the sections entitled "*The Accounts*" and "*Credit Structure*".

The Consumer Loans, being disbursed to Borrowers qualifying as a "consumer" pursuant to the Consolidated Banking Act, are regulated, *inter alia*, by article 1469-*bis* of the Italian civil code and by Italian Legislative Decree 206 of 6 September 2005 (*Codice del consumo, a norma dell'articolo 7 della legge 29 luglio 2003, n. 229*) (the **Consumer Code**), which implement EC Directive 93/13/CEE on unfair terms in consumer contracts, and provide that any clause in a consumer contract which contains a material imbalance between the rights and obligations of the consumer under the contract, is deemed to be unfair and is not enforceable against the consumer whether or not the consumer's counterparty acted in good faith.

Article 33 of the Consumer Code identifies clauses which, if included in consumer contracts, are deemed to be *prima facie* unfair but which are binding on the consumer if it can be shown that such clauses were actually individually negotiated or that they can be considered fair in the circumstances of the relevant consumer contract. Such clauses include, *inter alia*, clauses which give the right to the non-consumer contracting party (the **Supplier**) to (a) terminate the contract without reasonable cause (*giusta causa*) or (b) modify the conditions of the contract without a valid reason (*giustificato motivo*) previously stated in such contract. However, with regard to financial contracts, if there is a valid reason, the Supplier is empowered to modify the economic terms subject to prior notice to the consumer. In this case, the consumer has the right to terminate the contract.

Pursuant to article 36 of the Consumer Code, the following clauses, *inter alia*, are considered null and void as a matter of law and are not enforceable: (a) any clause which has the effect of excluding or limiting the remedies of the consumers in case of total or partial failure by the Suppliers to perform their obligations

under the consumer contract; and (b) any clause which has the effect of making the consumer parties bound by clauses they have not had any opportunity to consider and evaluate before entering into the consumer contract.

Santander Consumer Bank has represented and warranted in the Warranty and Indemnity Agreement that the Consumer Loans comply with all applicable laws and regulations and has undertaken, upon first written demand, to indemnify and hold harmless the Issuer and its directors from and against any and all damages, losses, claims, reduced income (*minor incasso*), costs, lost profits (*lucro cessante*) and/or expenses (including, but not limited to, legal fees and disbursements and any value added tax thereon if due), awarded against or incurred by the Issuer or its directors and their permitted assignees which arise out of or result from the inability of the Issuer to collect or recover any Receivables due to the exercise by the Debtors or any third party of any claim or counterclaim (including a demand for invalidity) against the Seller.

Insurance coverage

The Consumer Loan Agreements are assisted by an Insurance Policy issued by an Insurance Company. There can be no assurance that the insured losses will be covered in full for the benefit of the Issuer. Any loss incurred which is not covered, in whole or in part, by the relevant Insurance Policy could adversely affect the value of the Receivables and the ability of the Issuer to recover the full amount due under the relevant Consumer Loan.

Claw-back of the sales of the Receivables

Assignments of receivables made under the Securitisation Law are subject to claw-back (*revocatoria fallimentare*) (i) pursuant to article 67, paragraph 1, of the Italian Bankruptcy Law, if the adjudication of bankruptcy of the relevant seller is made within 6 (six) months from the purchase of the relevant portfolio of receivables, provided that the purchase price of the receivables exceeds the value of the receivables for more than 25 (twenty-five) per cent. and the issuer is not able to demonstrate that it was not aware of the insolvency of the seller, or (ii) pursuant to article 67, paragraph 2, of the Italian Bankruptcy Law, if the adjudication of bankruptcy of the relevant seller is made within 3 (three) months from the purchase of the relevant portfolio of receivables, provided that the purchase price of the receivables does not exceed the value of the receivables for more than 25 (twenty-five) per cent. and the insolvency receiver of the seller is able to demonstrate that the Issuer was aware of the insolvency of the seller.

Pursuant to the Master Transfer Agreement, the Seller, in respect of the Initial Portfolio, has provided or, in respect of each Subsequent Portfolio, will provide the Issuer with (i) a solvency certificate signed by an authorised officer of the Seller; and (ii) a good standing certificate issued by the competent companies' register (*certificato di iscrizione nella sezione ordinaria della Camera di Commercio, Industria, Artigianato ed Agricoltura*) stating that the Seller is not subject to any insolvency proceeding. Furthermore, under the Warranty and Indemnity Agreement, the Seller has represented that it was solvent as at the date thereof and such representation shall be deemed to be repeated on the Issue Date (with respect to the Initial Portfolio) and, in relation to each Subsequent Portfolio, as at each relevant Offer Date, as at each relevant Transfer Date as well as each date on which the Purchase Price for the relevant Subsequent Portfolio is paid.

In addition, in case of repurchase by the Seller of the Aggregate Portfolio in accordance with the Master Transfer Agreement, or disposal of the Aggregate Portfolio following the service of a Trigger Notice or in case of early redemption of the Notes in accordance with the Conditions, the payment of the relevant purchase price may be subject to claw-back pursuant to article 67, paragraph 1 or 2, of the Italian civil code. Pursuant to the Master Transfer Agreement, the Seller shall provide the Issuer with (i) a solvency certificate (*certificato di iscrizione nella sezione ordinaria*) signed by a director or other authorised officer of the Seller; and (ii) a good standing certificate issued by the competent companies' register (*certificato di iscrizione nella sezione ordinaria della Camera di Commercio, Industria, Artigianato ed Agricoltura*) and dated not more than 30 (thirty) Business Days prior to the date of payment of the relevant repurchase price.

Claw-back of other payments made to the Issuer

According to article 4, paragraph 3, of the Securitisation Law, payments made by a Debtor to the Issuer are not subject to any claw-back (*revocatoria fallimentare*) according to article 67 of the Italian Bankruptcy

Law, nor to any declaration of ineffectiveness (*declaratoria di inefficacia*) pursuant to article 65 of the Italian Bankruptcy Law.

Save for what described above, all other payments made to the Issuer by any party to the Transaction Documents in the 1 (one) year or 6 (six) month suspect period, as applicable, prior to the date on which such party has been declared bankrupt or has been admitted to compulsory liquidation, may be subject to claw-back (*revocatoria fallimentare*) according to article 67 of the Italian Bankruptcy Law (or any equivalent rules under the applicable jurisdiction of incorporation of such party). In case of application of article 67, paragraph 1, of the Italian Bankruptcy Law, the relevant payment will be set aside and clawed back if the Issuer does not give evidence that it did not have knowledge of the state of insolvency of the relevant party when the payments were made, whereas, in case of application of article 67, paragraph 2, of the Italian Bankruptcy Law, the relevant payment will be set aside and clawed back if the receiver gives evidence that the Issuer had knowledge of the state of insolvency of the relevant party. The question as to whether or not the Issuer had actual or constructive knowledge of the state of insolvency at the time of the payment is a question of fact with respect to which a court in its discretion may consider all relevant circumstances.

CATEGORY OF RISK FACTORS 4: RISKS RELATED TO OTHER LEGAL CONCERNS

Italian Usury Law has been subject to different interpretations over the time

Italian Law no. 108 of 7 March 1996 (as amended and/or supplemented from time to time, the **Usury Law**) introduced legislation preventing lenders from applying interest rates equal to or higher than the threshold rates - *tassi soglia* - (the **Usury Rates**) set every three months by a decree issued by the Italian Treasury (the latest of these decrees having been issued on 20 December 2019 and being applicable for the quarterly period from January to March 2020).

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

With a view to limiting the impact of the application of the Usury Law to Italian loans executed prior to the entering into force of the Usury Law, the Italian Government has specified with Law Decree number 394 of 29 December 2000 (the **Usury Law Decree**), converted into Law number 24 by the Italian Parliament on 28 February 2001, that an interest rate is to be deemed usurious only if it is higher than the Usury Rate in force at the time the relevant agreement is reached, regardless of the time at which interest is repaid by the borrower. However, it should be noted that few commentators and some lower court decisions have held that, irrespective of the principle set out in the Usury Law Decree, if an interest originally agreed at a rate falling below the then applicable usury limit were, at a later date, to exceed the usury limit from time to time in force, such interest should nonetheless be reduced to the then applicable usury limit. Recently, such opinion seems confirmed by the Italian Supreme Court (Cass. Sez. I, 11.01.2013, number 602 and Cass. Sez. I, 11.01.2013, number 603), which stated that an automatic reduction of the applicable interest rate to the Usury Rates applicable from time to time shall apply to the loans.

The Usury Law Decree has also provided that, as an extraordinary measure due to the exceptional fall in interest rates in the years 1998 and 1999, interest rates due on instalments payable after 2 January 2001 on loans already entered into on the date on which the Usury Law Decree came into force (namely 31 December 2000) are to be substituted with a lower interest rate fixed in accordance with parameters fixed by the Usury Law Decree.

The validity of the Usury Law Decree has been challenged before the Italian Constitutional Court by certain consumers' associations claiming that the Usury Law Decree does not comply with the principles set out in the Italian Constitution. By decision no. 29 of 14 February 2002, the Italian Constitutional Court has stated, *inter alia*, that the Usury Law Decree complies with the principles set out in the Italian Constitution except for such provisions of the Usury Law Decree providing that the interest rates due on instalments payable after 2 January 2001 on loans are to be substituted with lower interest rates fixed in accordance with the

Usury Law Decree. By such decision the Italian Constitutional Court has established that the lower interest rates fixed in accordance with the Usury Law Decree are to be substituted on instalments payable from the date on which such Decree came into force (31 December 2000) and not on instalments payable after 2 January 2001.

The Italian Supreme Court, under decision no. 350/2013, as recently confirmed by decision no. 23192/17, has clarified that the default interest rates are relevant and must be taken into account when calculating the aggregate remuneration of any given financing for the purposes of determining its compliance with the applicable Usury Rates. Such interpretation is in contradiction with the current methodology for determining the Usury Rates, considering that the relevant surveys aimed at calculating the applicable average rate never took into account the default interest rates.

Prospective Noteholders should note that, whilst Santander Consumer Bank in the Warranty and Indemnity Agreement has represented that the interest rates applicable under the Consumer Loan Agreements are in compliance with the then applicable Usury Rate and has undertaken to indemnify the Issuer in respect of any damages, losses, claims, costs and expenses that may be incurred by the Issuer in connection with any loss or reduction in any interest accrued on the relevant Consumer Loan as a result of the application of the Usury Law or of the Usury Law Decree, the ability of the Issuer to maintain scheduled payments of interest and principal on the Notes may be adversely affected as a result of a Consumer Loan being found to be in contravention with the Usury Law, thus allowing the relevant Debtor to claim relief on any interest previously paid and obliging the Issuer in the future to accept a reduced rate of interest, or potentially no interest, payable on such Consumer Loan.

Debtors may become subject to the restructuring arrangements in accordance with Law no. 3 of 27 January 2012

Following the enactment of Law no. 3 of 27 January 2012, as amended from time to time (**Law 3**), a debtor who is neither subject nor eligible to be subject to ordinary insolvency proceedings in accordance with the Italian Insolvency Law is entitled to enter into a restructuring arrangement with his/her creditors.

Law 3 applies to debtors who are not eligible to be adjudicated bankrupt under the Italian Insolvency Law and who are in a state of over indebtedness, being a situation where there is a continuing imbalance between the debtor's obligations and his/her highly liquid assets which causes a considerable difficulty in fulfilling his/her obligations, or a definitive incapacity to duly perform his/her obligations. In addition, Law 3 also contemplates a specific type of restructuring procedure and restructuring plan for consumers.

A debtor in a state of over indebtedness is entitled to submit to his/her creditors, with the assistance of a competent body (*O.C.C. - Organismo per la Composizione della Crisi*), a draft restructuring arrangement which shall ensure, *inter alia*, the regular payment of creditors having certain claims which cannot be attached (*impignorabili*) in accordance with article 545 of the Italian civil code.

Such draft restructuring arrangement will set out, among others, the revised terms for payments due to the creditors, the security interests which may be created to secure such payments and the conditions for the dismissal of the debtor's assets. If the debtor's assets and income are not sufficient to ensure the implementation of the draft restructuring arrangement, the debtor's obligations under the draft restructuring arrangement must be endorsed by one or more third parties who undertake to provide, also by way of security, additional assets or income.

Subject to certain conditions, the draft restructuring arrangement can provide for a (up to a one-year period) moratorium on payments due to creditors benefiting from pledges, mortgages or privileges, except in the case that the draft restructuring arrangement provide for the liquidation of the assets subject to security.

Upon filing of the draft restructuring arrangement and the supporting documents with the competent court, the judge appointed for the procedure is entitled to order an hearing to the extent that the relevant arrangement meets the requirements provided for by the applicable law. The draft restructuring arrangement and the court decision need to be published and notified to the creditors. During the hearing, the judge may award an automatic stay up to the certification (*omologazione*) with respect to the enforcement actions over

the assets of the relevant debtor. The automatic stay however will not apply to those creditors having title to receivables which cannot be attached.

A favourable vote of creditors representing at least 60 per cent. of the relevant claims is required for the approval of the draft restructuring arrangement (the silence of creditors being considered as a consent to the proposed draft).

Once the draft restructuring arrangement is approved, the competent body shall deliver to all creditors a report on the approval procedure attaching the restructuring arrangement and the relevant creditors may challenge such arrangement within 10 (ten) days of receipt of such report.

Upon expiry of such term the competent body will deliver the relevant report (including any challenge received and a feasibility assessment of the draft restructuring arrangement) to the competent judge who will be entitled, subject to appropriate final verification, to certify the restructuring arrangement.

Differently from the restructuring arrangement, the restructuring plan which can be proposed by the consumer (articles 12-*bis* and 12-*ter* of Law 3) is not submitted to the approval of the creditors but only to the competent Court which shall evaluate the feasibility and suitability of the plan, also taking into account the consumer conduct.

The competent body will be in charge to supervise the due performance of the obligations arising from the relevant restructuring arrangement. Such arrangement, however, remains subject to termination or may be declared null and void in specific circumstances provided for by applicable law.

It is worth noting that such new legislation provides also for a liquidation procedure alternative to the restructuring arrangement: the judge appointed for the procedure is entitled to appoint a liquidator and to award an automatic stay up to the closing of the procedure with respect to the enforcement actions over the assets of the relevant debtor. The liquidator has the administration of the assets of the debtor, and has the task of determining the profits and losses of the latter. In case of disputes in respect of this determination, the judge is entitled to settle them. Following the closing of the procedure, and subject to certain conditions, the debtor is entitled to obtain the cancellation of the remaining debts (*esdebitazione*).

Should any Debtor enter into a proceeding set out by Law 3, the Issuer could be subject to the risk of having the payments due by the relevant Debtor suspended or part of its debts released. Such circumstance may adversely and materially affect the ability of the Servicer to recover the overdue amounts in respect of the Receivables owed by such Debtor. However, given the recent enactment of this new legislation, the impact thereof on the cash-flows deriving from the Aggregate Portfolio and, as a consequence, on the amortisation of the Notes may not be predicted as at the date of this Prospectus.

Rules on compounding of interest (*anatocismo*) have been subject to different interpretation over the time

Pursuant to article 1283 of the Italian civil code, in respect of a monetary claim or receivable, accrued interest may be capitalised after a period of not less than 6 (six) months only (i) under an agreement entered into after the date on which it has become due and payable or (ii) from the date when any legal proceedings are commenced in respect of that monetary claim or receivable. Article 1283 of the Italian civil code allows derogation from this provision in the event that there are recognised customary practices (*usi*) to the contrary. Banks and other financial institutions in the Republic of Italy have traditionally capitalised accrued interest on a three monthly basis on the grounds that such practice could be characterised as a customary practice (*uso normativo*). However, a number of judgements from Italian courts (including the judgements from the Italian Supreme Court (*Corte di Cassazione*) no. 2374/99, no. 2593/2003, no. 21095/2004 as confirmed by judgment no. 24418/2010 of the same Court) have held that such practices may not be defined as customary practices (*uso normativo*).

As a consequence thereof, the challenge by any Debtor of the practice of capitalising interest and the upholding of such interpretation of the Italian civil code in judgments of the other courts of the Republic of Italy could have a negative effect on the returns generated from the Consumer Loan Agreements.

In this respect, it should be noted that paragraph 2 of article 120 of the Consolidated Banking Act, concerning compounding of interest accrued in the context of banking transactions, has been recently amended by article 17-bis of Law Decree no. 18 of 14 February 2016 (as converted into law by Law no. 49 of 8 April 2016), providing that interest (other than defaulted interest) shall not accrue on capitalised interest. Paragraph 2 of article 120 of the Consolidated Banking Act also requires the *Comitato Interministeriale per il Credito e il Risparmio* (CICR) to establish the methods and criteria for the compounding of interest. Decree no. 343 of 3 August 2016 of the CICR, implementing paragraph 2 of article 120 of the Consolidated Banking Act, has been published in the Official Gazette no. 212 of 10 September 2016. Given the novelty of this new legislation and in the absence of any jurisprudential interpretation, the impact of such new legislation may not be predicted as at the date of this Prospectus.

In this respect, under the Warranty and Indemnity Agreement, the Seller has undertaken, upon first written demand, to indemnify and hold harmless the Issuer and its directors from and against any and all damages, losses, claims, reduced income (*minor incasso*), costs, lost profits (*lucro cessante*) and/or expenses (including, but not limited to, legal fees and disbursements and any value added tax thereon if due), awarded against or incurred by the Issuer or its directors and their permitted assignees which arise out of or result from the non-compliance of the terms and conditions of any Consumer Loan Agreement with the provisions of article 1283 of the Italian civil code.

CATEGORY OF RISK FACTORS 5: RISK FACTORS RELATED TO TAX MATTERS

Tax treatment of the Issuer is based on the current interpretation of the Securitisation Law

Taxable income of the Issuer is determined in accordance with Italian Presidential Decree no. 917 of 22 December 1986. Pursuant to the regulations issued by the Bank of Italy on 15 December 2015 (the **2015 Bank of Italy Provision**) (*Istruzioni per la redazione dei bilanci e dei rendiconti degli Intermediari finanziari, degli Istituti di pagamento, degli Istituti di Moneta Elettronica, delle SGR e delle SIM*), the assets, liabilities, costs and revenues of the Issuer in relation to the securitisation of the Receivables will be treated as off-balance sheet assets, liabilities, costs and revenues. As of 2016 the Bank of Italy has issued new regulations, as amended from time to time (*Il bilancio degli intermediari IFRS diversi dagli intermediary bancari*) in which all the references to the special purpose vehicles incorporated for the purposes of the carrying out of securitisation transactions have been deleted in accordance with a general principle that special purpose vehicles should not be subject to regulatory supervision. In the lack of any specific accounting provisions and any clarification by the Bank of Italy, the market operators have nonetheless continued applying the 2015 Bank of Italy Provision, treating the assets, liabilities, costs and revenues of special purpose vehicles incorporated pursuanto to the Securitisatio Law as off-balance sheet items. Based on the general rules applicable to the calculation of net taxable income of a company, such taxable income should be calculated on the basis of the accounting, i.e. on-balance sheet, earnings, subject to such adjustments as specifically provided for by applicable income tax rules and regulations. On this basis, no taxable income should accrue to the Issuer in the context of the transfer to the Issuer of the relevant Portfolio and the Securitisation. This opinion has been expressed by scholars and tax specialists and has been confirmed by the tax authority (Circular no. 8/E issued by *Agenzia delle Entrate per la Lombardia* on 6 February 2003, confirmed by Ruling no. 77/E of 4 August 2010) on the grounds that the net proceeds generated by the Receivables may not be considered as legally available to the Issuer - insofar as any and all amounts deriving from the underlying assets of each of the securitisations are specifically destined to satisfy the obligations of such Issuer to the holders of the notes issued in the context of each such securitisation, to the other creditors of the Issuer and certain third party creditors in respect of each such securitisation in compliance with applicable law.

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

As confirmed by the tax authority (Ruling no. 222 issued by *Agenzia delle Entrate* on 5 December 2003), the interest accrued on the accounts held in the name of the Issuer with the Italian Account Bank will be

subject to withholding tax on account of corporate income tax. As of the date of this Prospectus, such withholding tax is levied at the rate of 26 per cent. and is to be imposed at the time of payment.

No gross-up will be made by the Issuer in case withholding tax applies on the Notes

Payments of interest under the Notes may in certain circumstances be subject to withholding for or on account of tax. For example, according to Decree 239, any non-Italian resident beneficial owner of an interest payment relating to the Notes who is (a) either not resident, for tax purposes, in a country which recognises the Italian fiscal authorities' right to an adequate exchange of information or (b), even if resident in a country which recognises the Italian fiscal authorities' right to an adequate exchange of information, does not timely comply with the requirements set forth in Decree 239 and the relevant application rules in order to benefit from the exemption from substitute tax will receive amounts of interest payable on the Notes net of Italian withholding tax or substitute tax. As at the date of this Prospectus such substitute tax is levied at the rate of 26 per cent., or such lower rate as may be applicable under the relevant double taxation treaty. For further details, see the section headed "*Taxation*".

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

CATEGORY OF RISK FACTORS 6: OTHER RISKS

Change of Law may impact the Securitisation

The structure of the Securitisation, the issue of the Notes and the ratings expected to be assigned to the Class A Notes and the Class B Notes on the Issue Date are based on Italian and Spanish law, tax and administrative practice in effect at the date hereof, and having due regard to the expected tax treatment of all relevant entities under such law and practice.

No assurance can be given that Italian or Spanish law, tax or administrative practice will not change after the Issue Date or that such change will not adversely impact the structure of the Securitisation and the treatment of the Notes.

In the event of any change in the law and/or tax regulations and/or their official interpretations after the Issue Date, the performance of the Securitisation and the ratings assigned to the Rated Notes may be affected. In addition, it should be noted that regulatory requirements (including any applicable retention, due diligence or disclosure obligations) may be recast or amended and there can be no assurance that any such changes will not adversely affect the compliance position of any transaction described in this Prospectus or of any party under any applicable law or regulation.

Historical information

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

Projections, forecasts and estimates

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

Such statements are subject to risks and uncertainties that could cause the actual results to differ materially from those expressed or implied by such forward-looking statements. Prospective investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this Prospectus and are based on assumptions that may prove to be inaccurate. No one undertakes any obligation

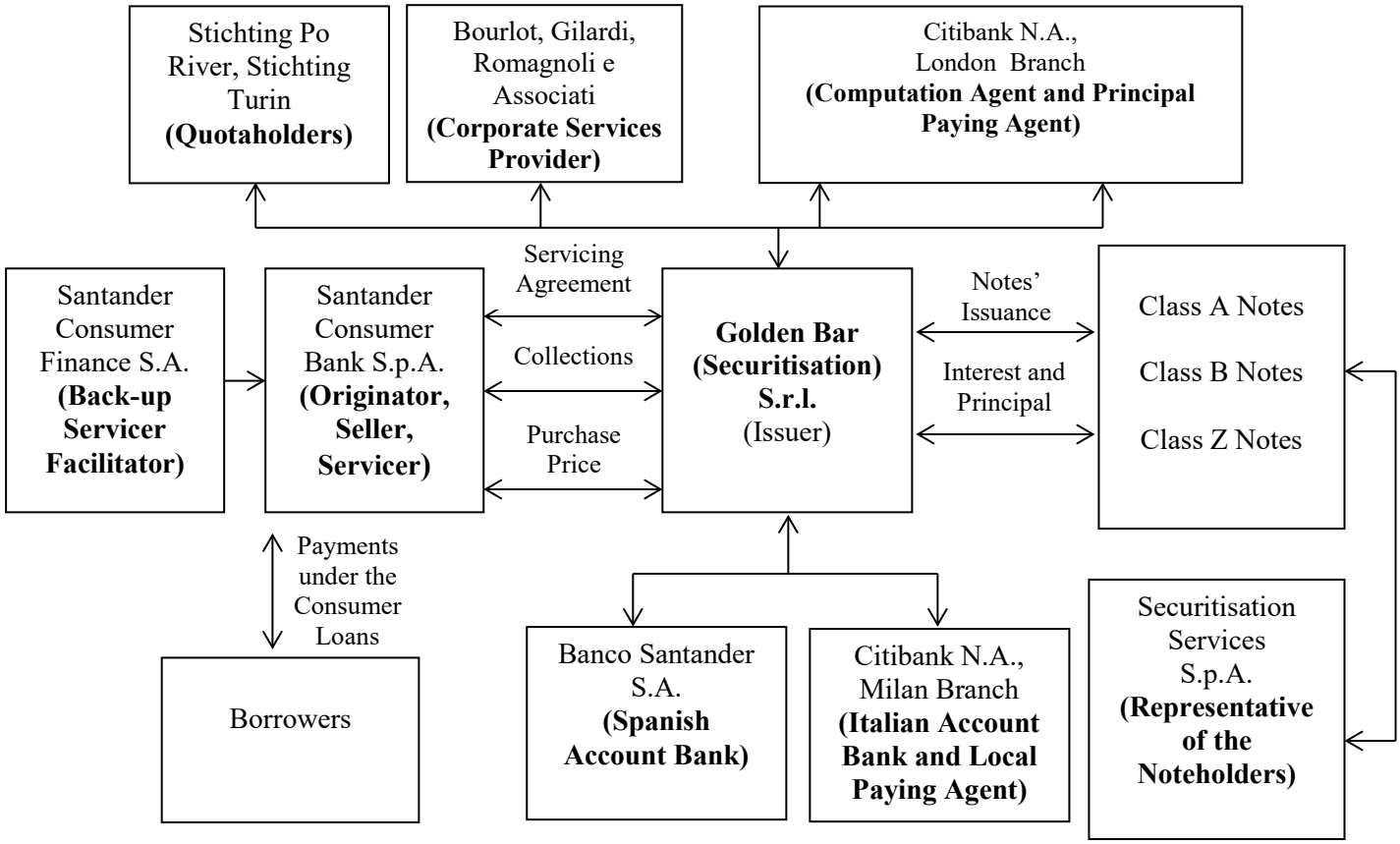
to update or revise any forward-looking statements contained in this Prospectus to reflect events or circumstances occurring after the date of this Prospectus.

TRANSACTION OVERVIEW

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

Capitalised words and expressions in the overview below shall, except otherwise specified or so far as the context otherwise requires, have the meanings set out herein and in the section headed "Glossary of Terms" below.

TRANSACTION DIAGRAM



PRINCIPAL PARTIES

Issuer

Golden Bar (Securitisation) S.r.l., a limited liability company (*società a responsabilità limitata*) incorporated under the laws of the Republic of Italy, having its registered office at Via Principe Amedeo, 11, 10123 Turin, Italy, fiscal code and enrolment with the companies' register of Turin Milan no. 13232920150, quota capital of Euro 10,000 fully paid-up, enrolled with the register of the special purpose vehicles held by the Bank of Italy pursuant to the Bank of Italy's regulation dated 7 June 2017 under no. 32474.9.

The Issuer has been established as a special purpose vehicle for the purposes of issuing asset backed securities in the context of

	one or more securitisation transactions, subject to Condition 5.2 (*Further Securitisations and corporate existence*). The Issuer has already carried out the Previous Securitisations. For further details, see the section headed "*The Issuer*".
Seller	**Santander Consumer Bank S.p.A.**, a bank incorporated as a joint stock company (*società per azioni*) organised under the laws of the Republic of Italy, registered with the companies' register of Turin under no. 05634190010 and registered with the register of banks (*albo delle banche*) held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act under no. 5496, parent company of the "*Gruppo Bancario Santander Consumer Bank*", registered with the register of banking groups held by the Bank of Italy pursuant to article 64 of the Banking Act under no. 3191.4, having its registered office at Corso Massimo d'Azeglio, 33/E, 10126 Turin, Italy (**Santander Consumer Bank**). For further details, see the section headed "*Santander Consumer Bank*".
Servicer	**Santander Consumer Bank**. The Servicer will act as such pursuant to the Servicing Agreement. For further details, see the section headed "*Santander Consumer Bank*".
Back-up Servicer Facilitator	**Santander Consumer Finance, S.A.**, a banking entity incorporated under the laws of Spain, registered with the Banco de España (Bank of Spain) under no. 8236 having its registered offices at Boadilla del Monte, Madrid, 28660, Spain and Tax Identification Code A-28122570. The Back-up Servicer Facilitator will act as such pursuant to the Intercreditor Agreement. For further details, see the section headed "*The Santander Group*".
Representative of the Noteholders	**Securitisation Services S.p.A.**, a company with a sole shareholder incorporated as a "società per azioni", having its registered office at Via Alfieri, 1, Conegliano (TV), Italy, share capital of Euro 2,000,000.00 fully paid up, fiscal code and enrolment in the companies' register of Treviso-Belluno under the number 03546510268, VAT Group "Gruppo IVA FININT S.P.A." - VAT number 04977190265, currently enrolled under number 50 in the register of the Intermediari Finanziari held by the Bank of Italy pursuant to article 106 of the Consolidated Banking Act, belonging to the banking group known as "Gruppo Banca Finanziaria Internazionale", registered with the register of the banking group held by the Bank of Italy, company subject to the activity of direction and coordination (soggetta all'attività di direzione e coordinamento) pursuant to article 2497 of the Italian civil code of Banca Finanziaria Internazionale S.p.A. (**Securitisation Services**).

	The Representative of the Noteholders will act as such pursuant to the Intercreditor Agreement, the Mandate Agreement and the Rules of the Organisation of the Noteholders. For further details, see the section headed "*The Representative of the Noteholders*".
Subordinated Loan Provider	**Santander Consumer Bank**. The Subordinated Loan Provider will act as such pursuant to the Subordinated Loan Agreement. For further details, see the section headed "*Santander Consumer Bank*".
Spanish Account Bank	**Banco Santander S.A.**, a public limited company incorporated under the laws of Spain, whose registered office is at Paseo de Pereda 9-12, Santander, Spain, registered with the Banco de España (Bank of Spain) under no. 0049, and with Tax Identification Code A-39000013 (**Banco Santander**). The Spanish Account Bank will act as such pursuant to the Cash Allocation, Management and Payment Agreement. For further details, see the section headed "*The Santander Group*".
Italian Account Bank	**Citibank N.A., Milan Branch**, a bank incorporated under the laws of United States of America, having its registered office at 701 East 60th Street North, Sioux Falls, South Dakota, U.S.A., acting through its Milan branch, enrolment in the companies' register of Milan number 600769, registered with the register of banking groups held by the Bank of Italy pursuant to article 64 of the Consolidated Banking Act under number 4630, having it registered office at Via dei Mercanti, 12, 20121 Milan, Italy (**Citibank, Milan Branch**). The Italian Account Bank will act as such pursuant to the Cash Allocation, Management and Payment Agreement. For further details, see the section headed "*Citibank Group*".
Local Paying Agent	**Citibank, Milan Branch**. The Local Paying Agent will act as such pursuant to the Cash Allocation, Management and Payment Agreement. For further details, see the section headed "*The CITIBANK Group*".
Computation Agent and Principal Paying Agent	**Citibank N.A., London Branch**, a company incorporated with limited liability in the United States of America under the laws of the City and State of New York on 14 June 1812 and reorganised as a national banking association formed under the laws of the United States of America on 17 July 1865 with Charter number 1461 and having its principal business office at 399 Park Avenue, New York, NY 10043, USA and having in Great Britain a

	principal branch office situated at 33 Canada Square, Canary Wharf, London E14 5LB with a foreign company number FC001835 and branch number BR001018 (**Citibank, London Branch**). The Computation Agent and the Principal Paying Agent will act as such pursuant to the Cash Allocation, Management and Payment Agreement. For further details, see the section headed "*Citibank Group*".
Corporate Services Provider	**Bourlot Gilardi Romagnoli e Associati**, a partnership between professionals (*associazioni di professionisti*), fiscal code and VAT number 06944680013, having its registered office at via Principe Amedeo 11, 10123 Turin (**BGRA**). The Corporate Services Provider will act as such pursuant to the Corporate Services Agreement. For further details, see the section headed "*BGRA*".
Quotaholders	**Stichting Turin**, a Dutch law foundation (*stichting*) incorporated under the laws of The Netherlands, having its registered office at Barbara Strozzilaan 101, 1083HN Amsterdam, The Netherlands, enrolled with the Chamber of Commerce of Amsterdam under no. 34137304. **Stichting Po River**, a Dutch law foundation (*stichting*) incorporated under the laws of The Netherlands, having its registered office at Barbara Strozzilaan 101, 1083HN Amsterdam, The Netherlands, enrolled with the Chamber of Commerce of Amsterdam under no. 34137306. For further details, see the section headed "*The Issuer*".
Stichtingen Corporate Services Provider	**Wilmington Trust SP Services (London) Limited**, a company incorporated under the laws of England and Wales, having its registered office at Third Floor, 1 King's Arms Yard, London EC2R 7AF, England, enrolled with the Trade Register of the Chamber of Commerce of England and Wales under no. 02548079. The Stichtingen Corporate Services Provider will act as such pursuant to the Stichtingen Corporate Services Agreement.
Reporting Entity	**Santander Consumer Bank**. The Reporting Entity will act as such pursuant to the Intercreditor Agreement.
Arranger	**Banco Santander**.

As at the date of this Prospectus, there are no relationships of direct or indirect control or ownership among the parties listed above, except for the relationships between (i) the Issuer and the Quotaholders as described in the section headed "*The Issuer*", (ii) the Seller, the Servicer, the Back-up Servicer Facilitator, the Subordinated Loan Provider, the Reporting Entity, the Spanish Account Bank and the Arranger as described in the sections headed "*Santander Consumer Bank*" and "*The Santander Group*", and (iii) the Italian Account Bank, the Local Paying Agent and the Computation Agent and Principal

Paying Agent as described in the section headed "*The Citibank Group*".

CAPITAL STRUCTURE

Class	Ratings (DBRS/Fitch)	Amount (Euro)	in %	Subordination (*)	Coupon (**)	Estimated Weighted average life (yrs) (***)	Legal Maturity
Class A Notes	"A(high) (sf)"/"Asf"	629,000,000	84.25%	15.75%	0.15 per cent. per annum	3.38	September 2044
Class B Notes	"BBB (sf)"/"BBBsf"	50,000,000	6.70%	9.05%	1.25 per cent. per annum	5.19	September 2044
Class Z Notes	N/A	67,498,000	9.05%	0.00%	Variable Return, if any	N/A	September 2044
Total		746,498,000	**100%**				

(*) Without taking into account the Cash Reserve.

(**) Assuming 10% per cent. constant prepayment rate. Please refer to the section headed "*Estimated weighted average life of the Senjor Notes and the Mezzanine Notes*" for a detailed list of the assumptions.

PRINCIPAL FEATURES OF THE NOTES

The Notes

The Notes will be issued by the Issuer on the Issue Date in the following classes:

(a) € 629,000,000 Class A-2020-1 Asset-Backed Fixed Rate Notes due September 2044(the **Class A Notes** or the **Senior Notes**);

(b) € 50,000,000 Class B-2020-1 Asset-Backed Fixed Rate Notes due September 2044 (the **Class B Notes** or the **Mezzanine Notes**);

(c) € 67,498,000 Class Z-2020-1 Asset Backed Variable Return Notes due September 2044 (the **Class Z Notes** or the **Junior Notes** and, together with the Senior Notes and the Mezzanine Notes, the **Notes**).

Issue Date

The Notes will be issued on 27 February 2020.

Issue Price

The Notes will be issued at 100 per cent. of their principal amount upon issue.

Interest on the Senior Notes and the Mezzanine Notes

The Senior Notes and the Mezzanine Notes will bear interest on their Principal Amount Outstanding from (and including) the Issue Date until final redemption or cancellation as provided for in Condition 8 (*Redemption, purchase and cancellation*).

The rate of interest applicable to the Senior Notes and the Mezzanine Notes (the **Rate of Interest**) for each Interest Period

will be:

(a) in respect of the Class A Notes, a fixed rate equal to 0.15 per cent. per annum; and

(b) in respect of the Class B Notes, a fixed rate equal to 1.25 per cent. per annum.

Interest in respect of the Senior Notes and the Mezzanine Notes will accrue on a daily basis and will be payable in Euro in arrears on each Payment Date in respect of the Interest Period ending immediately prior thereto, in accordance with the applicable Priority of Payments and will be calculated on the basis of the actual number of days elapsed and a 360-day year. The first payment of interest on the Senior Notes and the Mezzanine Notes will be due on the Payment Date falling in June 2020 in respect of the period from (and including) the Issue Date to (but excluding) such date.

Variable Return on the Junior Notes

A Variable Return may be payable on the Class Z Notes on each Payment Date, in accordance with the Terms and Conditions.

The Variable Return payable on the Class Z Notes on each Payment Date will be equal to any Issuer Available Funds remaining after making all payments due under items from (i) (*First*) to (xvii) (*seventeenth*) (inclusive) of the Pre-Trigger Interest Priority of Payments, from (i) (*First*) to (viii) (*eighth*) (inclusive) of the Pre-Trigger Principal Priority of Payments or from (i) (*First*) to (xiv) (*fourteenth*) (inclusive) of the Post-Trigger Priority of Payments, as the case may be, and may be equal to 0 (zero).

Payment Dates

The Payment Dates will be (i) prior to the delivery of a Trigger Notice, 20 March, 20 June, 20 September and 20 December of each year (or, if such day is not a Business Day, the immediately following Business Day), provided that the First Payment Date will fall in June 2020, or (ii) following the delivery of a Trigger Notice, any such Business Day as determined by the Representative of the Noteholders on which payments are to be made under the Securitisation.

Ratings

The Rated Notes are expected to be assigned the following ratings on the Issue Date:

Class	*DBRS*	*Fitch*
Class A Notes	"A(high) (sf)"	"Asf"
Class B Notes	"BBB (sf)"	"BBBsf"

It is not expected that the Class Z Notes will be assigned a credit rating.

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

In general, European regulated investors are restricted from using

a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under Regulation (EC) no. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as subsequently amended (the **CRA Regulation**). As of the date of this Prospectus, each of the Rating Agencies is registered under the CRA Regulation, as evidenced in the latest update of the list published by the ESMA on its website (being, as at the date of this Prospectus, *www.esma.europa.eu*).

In accordance with Fitch's rating definitions,

(i) "A" ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings; and

(ii) "BBB" ratings indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity.

In accordance with DBRS' long-term rating scale,

(i) "A" ratings denote good credit quality. The capacity for the payment of financial obligations is substantial, but of lesser credit quality than AA. May be vulnerable to future events, but qualifying negative factors are considered manageable; and

(ii) "BBB" ratings denote adequate credit quality. The capacity for the payment of financial obligations is considered acceptable. May be vulnerable to future events.

Status

The Notes will constitute direct and limited recourse obligations solely of the Issuer backed by the Aggregate Portfolio. In particular, the Notes will not be obligations or responsibilities of, or guaranteed by, any person except the Issuer and no person other than the Issuer shall be liable in respect of any failure by the Issuer to make payment of any amount due on the Notes.

Form and Denomination

The Notes will be issued in the denomination of € 100,000 and integral multiples of € 1,000 in excess thereof.

The Notes will be issued in bearer form (*al portatore*) and held in dematerialised form (*in forma dematerializzata*) on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli for the account of the relevant Monte Titoli Account Holders. The expression Monte Titoli Account Holders means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Monte Titoli and includes any depository banks appointed by Clearstream and Euroclear. The Notes will be accepted for clearance by Monte

Titoli with effect from the Issue Date. The Notes will at all times be in book entry form and title to the Notes will be evidenced by book entry in accordance with the provisions of (i) article 83-*bis* of the Financial Laws Consolidated Act; and (ii) Regulation 13 August 2018. No physical document of title will be issued in respect of the Notes.

Ranking and Subordination

Prior to the delivery of a Trigger Notice, in respect of the obligation of the Issuer to pay interest on the Notes:

(a) the Class A Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to the Class B Notes and the Class Z Notes;

(b) the Class B Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to the Class Z Notes, but subordinated to the Class A Notes; and

(c) the Class Z Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves, but subordinated to the Class A Notes and the Class B Notes.

Prior to the delivery of a Trigger Notice, in respect of the obligation of the Issuer to repay principal on the Notes:

(d) the Class A Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to the Class B Notes and the Class Z Notes;

(e) the Class B Notes will rank *pari passu* and pro rata without preference or priority amongst themselves, in priority to the Class Z Notes but subordinated to the Class A Notes, and

(f) the Class Z Notes will rank pari passu and pro rata without preference or priority amongst themselves, but subordinated to the Class A Notes and the Class B Notes.

In respect of the obligation of the Issuer to pay interest and repay principal on the Notes following the delivery of a Trigger Notice:

(a) the Class A Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to the Class B Notes and the Class Z Notes;

(b) the Class B Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves and in priority to the Class Z Notes, but subordinated to the Class A Notes; and

(c) the Class Z Notes will rank *pari passu* and *pro rata* without preference or priority amongst themselves, but subordinated to the Class A Notes and the Class B Notes.

Withholding on the Notes

As at the date of this Prospectus, all payments of interest and other

	proceeds in respect of the Notes will be made free and clear of any withholding or deduction for or on account of Italian taxes, unless such a withholding or deduction is required to be made by Italian Legislative Decree no. 239 of 1 April 1996, as amended and/or supplemented from time to time and any related regulations (**Decree 239**) or otherwise by applicable law. If any withholding or deduction for or on account of tax (including any Decree 239 Deduction) is made in respect of any payment under the Notes, neither the Issuer nor any other person shall have any obligation to pay any additional amount(s) to any holder of the Notes on account of such withholding or deduction. For further details, see the section headed "*Taxation*".
Final redemption	The Issuer shall redeem the Notes at their Principal Amount Outstanding (plus any accrued but unpaid interest thereon), in accordance with the applicable Priority of Payments, on the Payment Date falling in September 2044 (the **Final Maturity Date**). The Issuer may not redeem the Notes in whole or in part prior to that date except as provided below in Condition 8.2 (*Redemption, Purchase and Cancellation - Mandatory Redemption*), Condition 8.3 (*Redemption, Purchase and Cancellation - Optional redemption for clean-up call*), Condition 8.4 (*Redemption, Purchase and Cancellation – Optional Redemption – Time Call Option*) and Condition 8.5 (*Redemption, Purchase and Cancellation – Optional redemption for taxation reasons*), but without prejudice to Condition 13 (*Trigger Events*).
Mandatory redemption	The Notes of each Class will be subject to mandatory redemption in full (or in part pro rata) on the Payment Date falling in June 2022 (or, if earlier, the first Payment Date after the service of a Purchase Termination Notice) and on each Payment Date thereafter, in accordance with Condition 8.2 (*Redemption, Purchase and Cancellation - Mandatory Redemption*), if and to the extent that on each such Payment Dates there will be sufficient Principal Available Funds which may be applied towards redemption of the Notes pursuant to the applicable Priority of Payments.
Optional redemption for clean-up call	Provided that no Trigger Notice has been served on the Issuer, upon the aggregate Outstanding Principal of the Receivables comprised in the Aggregate Portfolio being equal to, or lower than, 10 per cent. of the aggregate Outstanding Principal of the Receivables comprised in the Initial Portfolio as at the relevant Valuation Date (the **Clean-up Call Event**), the Issuer may, on any Payment Date following the occurrence of the Clean-up Call Event, redeem the Senior Notes and the Mezzanine Notes (in whole but not in part) and the Junior Notes (in whole or, subject to the Junior Noteholders' consent, in part) at their Principal Amount Outstanding (plus any accrued but unpaid interest thereon) in accordance with the Post-Trigger Priority of Payments, subject to the Issuer: (a) giving not less than 25 (twenty-five) days' notice to the Representative of the Noteholders and to the Noteholders

in accordance with Condition 17 (*Notices*) of its intention to redeem the Notes; and

(b) on or prior to the notice referred to in paragraph (a) above being given, delivering to the Representative of the Noteholders, a evidence acceptable to the Representative of the Noteholders that it will have the necessary funds (not subject to the interests of any person) to discharge all of its outstanding liabilities in respect of all the Notes (or all of the Senior Notes and the Mezzanine Notes and all or, subject to the Junior Noteholders' consent, none or part of the Junior Notes) and any amount required to be paid under the Post-Trigger Priority of Payments in priority thereto or *pari passu* therewith.

The Issuer may obtain the funds necessary to finance such early redemption of the Notes from the sale of the Aggregate Portfolio to the Seller. Under the Master Transfer Agreement, the Issuer has granted to the Seller an option, pursuant to article 1331 of the Italian civil code, to repurchase the Aggregate Portfolio following the occurrence of the Clean-up Call Event for the Final Repurchase Price, pursuant to the terms and subject to the conditions set out therein.

For further details, see the section headed "*Description of the Transaction Documents - The Master Transfer Agreement*".

Optional redemption – Time Call Option

Provided that no Trigger Notice has been served on the Issuer, Starting from the Payment Date (included) on which the Rated Notes have been redeemed in full, and on each Payment Date thereafter, the Issuer may redeem the Junior Notes (in whole or, subject to the Junior Noteholders' consent, in part) at their Principal Amount Outstanding (plus all accrued but unpaid interest thereon), in accordance with the Post-Trigger Priority of Payments and subject to the Issuer, subject to the Issuer:

(a) giving not less than 25 (twenty-five) days' notice to the Representative of the Noteholders and to the Noteholders in accordance with Condition 17 (*Notices*) of its intention to redeem the Notes; and

(b) on or prior to the notice referred to in paragraph (a) above being given, delivering to the Representative of the Noteholders, evidence acceptable to the Representative of the Noteholders that it will have the necessary funds (not subject to the interests of any person) to discharge all of its outstanding liabilities in respect of all or, subject to the Junior Noteholders' consent, none or part of the Junior Notes, and any amount required to be paid under the Post-Trigger Priority of Payments in priority thereto or *pari passu* therewith.

The Issuer (acting upon the instructions of the Representative of the Noteholders in accordance with the Rules of the Organisation of the Noteholders) may obtain the funds necessary to finance such early redemption of the Notes from the sale of the Aggregate Portfolio to the Seller.

Optional redemption for taxation reasons

Provided that no Trigger Notice has been served on the Issuer, upon occurrence of a change in tax law (or the application or official interpretation thereof), which becomes effective on or after the Issue Date and by reason of which:

(a) the assets of the Issuer in respect of the Securitisation (including the Receivables, the Collections and the other material Issuer's Rights) becoming subject to taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or by any political sub-division thereof or by any authority thereof or therein or by any applicable taxing authority having jurisdiction; or

(b) either the Issuer or any paying agent appointed in respect of the Notes or any custodian of the Notes being required to deduct or withhold any amount (other than in respect of a Decree 239 Deduction) in respect of the Notes, from any payment of principal or interest on or after such Payment Date 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 by any political sub-division thereof or by any authority thereof or therein or by any other applicable taxing authority having jurisdiction and provided that such deduction or withholding may not be avoided by appointing a replacement paying agent or custodian in respect of the Notes before the Payment Date following a change in law or the interpretation or administration thereof; or

(c) any amounts of interest payable to the Issuer in respect of the Consumer Loans being required to be deducted or withheld from the Issuer 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 by any political subdivision thereof or by any authority thereof or therein or by any other applicable taxing authority having jurisdiction,

(each of such events, a **Tax Call Event**), the Issuer may, on any Payment Date following the occurrence of a Tax Call Event, redeem the Senior Notes and the Mezzanine Notes (in whole but not in part) and the Junior Notes (in whole or, subject to the Junior Noteholders' consent, in part) at their Principal Amount Outstanding (plus any accrued but unpaid interest thereon) in accordance with the Post-Trigger Priority of Payments, subject to the Issuer:

(a) giving not less than 30 (thirty) days' notice to the Representative of the Noteholders and to the Noteholders in accordance with Condition 17 (*Notices*) of its intention to redeem the Notes (the **Tax Redemption Notice**); and

(b) on or prior to the Tax Redemption Notice being given, delivering to the Representative of the Noteholders,

evidence acceptable to the Representative of the Noteholders that it will have the necessary funds (not subject to the interests of any person) to discharge all of its outstanding liabilities in respect of all of the Notes (or all of the Rated Notes and all or, subject to the Junior Noteholders' consent, none or part of the Junior Notes) and any amount required to be paid under the Post-Trigger Priority of Payments in priority thereto or *pari passu* therewith.

The Issuer may obtain the funds necessary to finance such early redemption of the Notes from the sale of the Aggregate Portfolio to the Seller. Under the Master Transfer Agreement, the Issuer has granted to the Seller an option, pursuant to article 1331 of the Italian civil code, to repurchase the Aggregate Portfolio following the occurrence of a Tax Call Event for the Final Repurchase Price, pursuant to the terms and subject to the conditions set out therein.

For further details, see the section headed "*Description of the Transaction Documents - The Master Transfer Agreement*".

Cancellation Date

The Notes will be cancelled on the earlier of:

(a) the date on which the Notes have been redeemed in full;

(b) the Final Maturity Date; and

(c) the date on which the Servicer gives notice to the Issuer and the Noteholders that it has determined that there is no reasonable likelihood of there being any further amounts to be realised in respect of the Aggregate Portfolio or the Note Security (whether arising from an enforcement of the Note Security or otherwise) being available to the Issuer or, if any Noteholder objects such Servicer's determination for reasonably grounded reasons within 30 (thirty) days from notice thereof, the date on which such determination in respect thereof is made by an independent third party in accordance with Condition 9.2(iii),

(the applicable date of cancellation, the **Cancellation Date**).

On the Cancellation Date any amount outstanding, whether in respect of interest, principal or other amounts in respect of the Notes, shall be finally and definitively cancelled. Upon cancellation, the Notes may not be resold or re-issued.

Estimated Weighted Average Life of the Senior Notes and the Mezzanine Notes

The actual average life of the Senior Notes and the Mezzanine Notes cannot be stated, as the actual rate of repayment of the Consumer Loans and a number of other relevant factors are unknown. However, calculations of the possible average life of the Senior Notes and the Mezzanine Notes can be made based on certain assumptions as described in this Prospectus.

No assurance can be given that such assumptions and estimates will be accurate and, therefore, calculations as to the estimated weighted average life of the Senior Notes and the Mezzanine Notes must be viewed with considerable caution.

For further details, see the section headed "*Estimated Weighted Average Life of the Senior Notes and the Mezzanine Notes*".

Source of Payment of the Notes

The principal source of payment of interest and of repayment of principal on the Notes, as well as payment of Variable Return (if any) on the Class Z Notes, will be Collections and Recoveries received in respect of the Receivables from time to time purchased by the Issuer from the Seller pursuant to the Master Transfer Agreement. The Consumer Loans are granted to people qualifying as individuals (*persone fisiche*) either (i) for the purpose of financing the purchase of goods/servicer or Vehicles, or (ii) qualifying as non-purpose consumer loans (*finanziamenti senza vincolo di destinazione*) and defined as "*prestito personale*".

Segregation of the Aggregate Portfolio

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

The Aggregate Portfolio, any monetary claim accrued by the Issuer in the context of the Securitisation, the relevant collections and the financial assets purchased through such collections may not be seized or attached in any form by creditors of the Issuer other than the Noteholders, until full discharge by the Issuer of its payment obligations under the Notes or cancellation of the Notes. Pursuant to the terms of the Intercreditor Agreement and the Mandate Agreement, the Issuer has empowered the Representative of the Noteholders, following the service of a Trigger Notice or upon failure by the Issuer to promptly exercise its rights under the Transaction Documents, to exercise the Issuer's Rights, powers and discretion under the Transaction Documents taking such action in the name and on behalf of the Issuer as the Representative of the Noteholders may deem necessary to protect the interests of the Issuer, the Noteholders and the Other Issuer Creditors in respect of the Aggregate Portfolio and the Issuer's Rights. Italian law governs the delegation of such power.

In addition, security over certain monetary rights of the Issuer arising out of certain Transaction Documents and Accounts has been granted by the Issuer in favour of the Representative of the Noteholders pursuant to the Spanish Deed of Pledge for the benefit of the Noteholders and the Other Issuer Creditors. For further details, see the section headed "*Description of the Spanish Deed of Pledge*".

Limited recourse

Notwithstanding any other provision of the Transaction Documents, all obligations of the Issuer to the Noteholders are limited in recourse as set out below:

(a) each Noteholder will have a claim only in respect of the Issuer Available Funds and at all times only in accordance with the applicable Priority of Payments and will not have any claim, by operation of law or otherwise, against, or recourse to, the Issuer's other assets or its contributed capital;

(b) sums payable to each Noteholder in respect of the Issuer's obligations to such Noteholder shall be limited to the lesser of (i) the aggregate amount of all sums due and payable to such Noteholder; and (ii) the Issuer Available Funds, net of any sums which are payable by the Issuer in accordance with the applicable Priority of Payments in priority to or *pari passu* with such sums payable to such Noteholder; and

(c) upon the Servicer giving notice to the Issuer and the Noteholders in accordance with Condition 17 (*Notices*) that it has determined, in its sole opinion, that there is no reasonable likelihood of there being any further amounts to be realised in respect of the Aggregate Portfolio or the Note Security (whether arising from an enforcement of the Note Security or otherwise) which would be available to pay unpaid amounts outstanding under the Notes, the Noteholders shall have no further claim against the Issuer in respect of any such unpaid amounts and such unpaid amounts shall be cancelled and discharged in full. The provisions of this paragraph (c) are subject to none of the Noteholders objecting to such determination of the Servicer for reasonably grounded reasons within 30 (thirty) days from notice thereof. If any Noteholder objects such determination within such term, then the Servicer shall request an independent third party to verify and determine if there is no reasonable likelihood of there being any further amounts to be realised in respect of the Aggregate Portfolio or the Note Security which would be available to pay unpaid amounts outstanding under the Notes. Such determination shall be definitive and binding for all the Noteholders.

Non petition

Only the Representative of the Noteholders may pursue the remedies available under the general law or under the Transaction Documents to obtain payment of any obligation of the Issuer deriving from any of the Transaction Documents or enforce the Note Security and no Noteholder shall be entitled to proceed directly against the Issuer to obtain payment of any such obligation or to enforce the Note Security, save as provided by the Transaction Documents and the Rules of the Organisation of the Noteholders. In particular, save as expressly permitted by the Transaction Documents and the Rules of the Organisation of the Noteholders, no Noteholder:

(a) shall be entitled to enforce the Note Security or take any proceedings against the Issuer to enforce the Note Security;

(b) shall be entitled to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer to such Noteholder, provided however that this paragraph (ii) shall not prevent any Noteholder from taking any steps against the Issuer which do not amount to the commencement or the threat of commencement of legal proceedings against the Issuer or to procuring the appointment of an insolvency receiver for or to the making of an administration order against or to the winding up or liquidation of the Issuer;

(c) shall be entiled, until the date falling 2 (two) years plus 1 (one) day after the date on which all the Notes, the Previous Notes and all the asset backed notes issued in the context of any Further Securitisation have been redeemed in full or cancelled, to cause, initiate or join any person in initiating an Insolvency Event in relation to the Issuer, provided however that this paragraph (iii) shall not prejudice the right of any Noteholder to prove a claim in an insolvency of the Issuer where such insolvency follows the institution of an insolvency proceeding by a third party creditor of the Issuer; and

(d) shall be entitled to take or join in the taking of any corporate action, legal proceedings or other procedure or step that would result in the Priority of Payments not being observed.

The Organisation of the Noteholders and the Representative of the Noteholders

The Organisation of the Noteholders shall be established upon and by virtue of the issuance of the Notes and shall remain in force and in effect until redemption in full or cancellation of the Notes.

Pursuant to the Rules of the Organisation of the Noteholders, for as long as any Note is outstanding, there shall at all times be a Representative of the Noteholders. The appointment of the Representative of the Noteholders, as legal representative of the Organisation of the Noteholders, is made by the Noteholders subject to and in accordance with the Rules of the Organisation of the Noteholders, except for the initial Representative of the Noteholders appointed at the time of the issue of the Notes by the Initial Subscriber, subject to and in accordance with the provisions of the Subscription Agreement. Each Noteholder is deemed to accept such appointment.

Approval, listing and admission to trading

Application has been made to the CSSF, in its capacity as competent authority under the Luxembourg Act dated 16 July 2019 relating to prospectuses for securities (the **Luxembourg Act**), for the approval of this Prospectus for the purposes of the Prospectus Regulation and the relevant implementing measures in Luxembourg. Application has also been made to the Luxembourg Stock Exchange for the Senior Notes and the Mezzanine Notes to be admitted to the official list of the Luxembourg Stock Exchange

and to trading on the regulated market "Bourse de Luxembourg", which is a regulated market for the purposes of the Market in Financial Instruments Directive 2014/65/EU.

By approving this Prospectus, the CSSF shall give no undertaking as to the economic or financial opportuneness of the operation or the quality or solvency of the Issuer in accordance with the provisions of article 6, paragraph 4 of the Luxembourg Act.

Any information in this Prospectus regarding the Junior Notes is not subject to the CSSF's approval. The Junior Notes are not being offered pursuant to this Prospectus and no application has been made or will be made to list the Junior Notes on any stock exchange.

This Prospectus will be published on the website of the Luxembourg Stock Exchange (being, as at the date of this Prospectus, *www.bourse.lu*).

Governing Law

The Notes and any non-contractual obligations arising out thereof will be governed by Italian law.

Selling Restrictions

There will be restrictions on the sale of the Notes and on the distribution of information in respect thereof.

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

ACCOUNTS

Accounts with the Spanish Account Bank

The Issuer has established with the Spanish Account Bank the following Accounts:

(a) the Collection Account; and

(b) the Cash Reserve Account.

Accounts with the Italian Account Bank

The Issuer has established with the Italian Account Bank the following Accounts:

(a) the Payments Account; and

(b) the Expenses Account.

Other Accounts

In addition, the Issuer:

(a) shall, upon the occurrence of a Set-Off Reserve Trigger Event, open the Set-Off Reserve Account with an Eligible Institution; and

(b) shall, following the directions of the Representative of the Noteholders, as instructed by the Noteholders in accordance with the Terms and Conditions and with notice to the Rating Agencies, open an Eligible Investments Securities Account with an Eligible Institution for the purpose of depositing any security and

other financial instruments being Eligible Investments, from time to time purchased by or on behalf of the Issuer.

The Issuer has also established the Quota Capital Account with Santander Consumer Bank.

Collection Account

The Collection Account will be the Account for the deposit of all the Collections and Recoveries received and recovered by the Servicer in accordance with the Servicing Agreement, as well as any other amounts received by the Issuer from any party to a Transaction Document, but excluding the amounts advanced by the Subordinated Loan Provider under the Subordinated Loan Agreement.

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

Cash Reserve Account

The Cash Reserve Account will be the Account into which the Cash Reserve shall be credited in accordance with the Cash Allocation, Management and Payment Agreement. The Cash Reserve Account will be funded on the Issue Date for an amount equal to the Cash Reseve Advance out of the Subordinated Loan, advanced by the Subordinated Loan Provider.

For further details, see the sections headed "*Credit Structure*" and "*The Accounts*".

Set-Off Reserve Account

The Set-Off Reserve Account will be the Account into which the Set-Off Reserve shall be credited, in accordance with the Intercreditor Agreement and the Cash Allocation, Management and Payment Agreement.

For further details, see the sections headed "*Credit Structur*e", "*Description of the Subordinated Loan Agreement*" and "*The Accounts*".

Expenses Account

The Expenses Account will be the Account for the deposit of the Retention Amount aimed at funding during each Interest Period all fees, costs, expenses and taxes 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 applicable legislation, in accordance with the Cash Allocation, Management and Payment Agreement.

The Expenses Account will be funded, on the Issue Date out of the Subordinated Loan. In the event that on any Payment Date the balance of the Expenses Account is lower than the Retention Amount, then the Issuer will credit available amounts of the Issuer Available Funds, in accordance with the applicable Priority of Payments, into the Expenses Account to bring the balance of such Account up to (but not exceeding) the Retention Amount.

The amounts standing to the credit of the Expenses Account will be used to pay, during each Interest Period, the Expenses falling due in the relevant Interest Period and, after the Payment Date on which the Notes will be redeemed in full or cancelled, any known Expenses not yet paid and any Expenses falling due after such Payment Date.

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

Payments Account

The Payments Account will be the Account into which, *inter alios*, the amounts standing to the credit of the Collection Account, the Cash Reserve Account and (and, following the delivery of a Set-Off Reserve Trigger Notice, the Set-Off Reserve Account) shall be transferred so as to be applied to make the payments due by the Issuer on each Payment Date, in accordance with the applicable Priority of Payments and the Cash Allocation, Management and Payment Agreement.

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

Eligible Investments Securities Account(s)

In the event that any Eligible Investments shall be made in accordance with the Cash Allocation, Management and Payment Agreement then any investment represented by bonds, debentures, other kind of notes or other financial instrument purchased with the monies standing to the credit of each of the Investment Accounts shall be deposited by the Custodian Bank in the Eligible Investments Securities Account, in accordance with the terms of the Cash Allocation, Management and Payment Agreement.

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

Quota Capital Account

The Quota Capital Account is the account held with Santander Consumer Bank into which the quota capital of the Issuer, equal to € 10,000, has been deposited.

CREDIT STRUCTURE

Interest Available Funds

The Interest Available Funds will comprise, in respect of any Payment Date, the aggregate of the following amounts (without double counting):

(a) the Interest Components received by the Issuer in respect of the Receivables comprised in the Aggregate Portfolio during the immediately preceding Collection Period;

(b) the available Revenue Eligible Investments Amount deriving from the Eligible Investments (if any) made using funds from the Collection Account, the Cash Reserve Account and the Set-Off Reserve Account (if opened), following liquidation thereof on the immediately preceding Eligible Investments Maturity Date;

(c) except on (i) the Final Maturity Date, (ii) the Payment Date on which there will be sufficient Issuer Available Funds (including the Cash Reserve) to redeem in full the Rated Notes, and (iii) the Payment Date following the

delivery of a Trigger Notice, the Cash Reserve as at the immediately preceding Payment Date after making payments due under the Pre-Trigger Interest Priority of Payments on that date (or, in respect of the First Payment Date, the Cash Reserve as at the Issue Date);

(d) the available proceeds, other than the Revenue Eligible Investments Amount, deriving from the Eligible Investments (if any) made using funds from the Cash Reserve Account, following liquidation thereof on the immediately preceding Eligible Investments Maturity Date;

(e) all amounts of positive interest accrued and paid on the Accounts (other than the Expenses Account) during the immediately preceding Collection Period (net of any applicable withholding or expenses);

(f) payments made to the Issuer by any other party to the Transaction Documents during the immediately preceding Collection Period, excluding those amounts constituting Principal Available Funds;

(g) the interest component of the purchase price received by the Issuer in relation to the sale of any Receivables (other than Defaulted Receivables) made in accordance with the Master Transfer Agreement and the Warranty and Indemnity Agreement during the immediately preceding Collection Period;

(h) any Recoveries (including any purchase price received in relation to the sale of any Defaulted Receivables) received by the Issuer in respect of any Defaulted Receivable during the Collection Period immediately preceding such Calculation Date;

(i) any other amount standing to the credit of the Collection Account as at the end of the Collection Period immediately preceding the relevant Calculation Date, but excluding those amounts constituting Principal Available Funds; and

(j) any Principal Available Funds to be allocated in or towards provision of the Interest Available Funds on such Payment Date in accordance with the Pre-Trigger Principal Priority of Payments.

Principal Available Funds

The Principal Available Funds will comprise, in respect of any Payment Date, the following amounts (without double counting):

(a) the Principal Components received by the Issuer in

respect of the Receivables (other than Defaulted Receivables) comprised in the Aggregate Portfolio during the immediately preceding Collection Period;

(b) the available proceeds, other than the Revenue Eligible Investments Amount, deriving from the Eligible Investments (if any) made using funds from the Collection Account and the Set-Off Reserve Account (if any), following liquidation thereof on the immediately preceding Eligible Investments Maturity Date;

(c) the amounts allocated under items (ix) (*ninth*), (x) (*tenth*) and (xi) (*eleventh*) of the Pre-Trigger Interest Priority of Payments out of the Interest Available Funds;

(d) the amounts actually credited to and/or retained in, on the immediately preceding Payment Date, the Collection Account under items (i) (*first*) and (iii(B)) (*third(B)* of the Pre-Trigger Principal Priority of Payments, if any;

(e) payments made to the Issuer by the Seller pursuant to the Warranty and Indemnity Agreement during the immediately preceding Collection Period in respect of indemnities or damages for breach of representations or warranties;

(f) the principal component of the purchase price received by the Issuer in relation to the sale of any Receivables (other than Defaulted Receivables) made in accordance with the Master Transfer Agreement and the Warranty and Indemnity Agreement during the immediately preceding Collection Period;

(g) on the Calculation Date immediately preceding the Cancellation Date, the balance standing to the credit of the Expenses Account at such date;

(h) the Set-Off Reserve Required Amount (if any) in respect of such Payment Date; and

(i) in respect of the earlier of (i) the Final Maturity Date, (ii) the Payment Date on which there will be sufficient Issuer Available Funds (including the Cash Reserve) to redeem in full the Rated Notes, and (iii) the Payment Date following the delivery of a Trigger Notice, all amounts standing to the credit of the Cash Reserve Account.

Trigger Events

The occurrence of any of the following events will constitute a **Trigger Event**:

(a) *Non-payment*: the Issuer defaults in the payment of any amount of interest due and/or principal due and payable

in respect of the Most Senior Class of the Rated Notes and such default is not remedied within a period of five 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 specified in paragraph (a) above) which is, in the Representative of the Noteholders' opinion, materially prejudicial to the interests of the Noteholders, and such default remains unremedied for 15 (fifteen) days after the Representative of the Noteholders has given written notice thereof to the Issuer requiring the same to be remedied (except where, in the sole opinion of the Representative of the Noteholders, such default is not capable of remedy, in which case no notice requiring remedy will have to be given); or

(c) *Breach of representations and warranties by the Issuer*: any of the representations and warranties given by the Issuer under any of the Transaction Documents to which it is party is, or proves to have been, incorrect or erroneous in any material respect when made, or deemed to be made, and such breach remains unremedied for 15 (fifteen) days after the Representative of the Noteholders has served notice requiring remedy (except where, in the sole opinion of the Representative of the Noteholders, the breach of the relevant representation is not capable of remedy in which case no notice requiring remedy will have to be given); or

(d) *Insolvency of the Issuer*: an Insolvency Event occurs in respect of the Issuer; 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, when compliance with such obligations is deemed by the Representative of the Noteholders to be material.

Upon occurrence of a Trigger Event, the Representative of the Noteholders may at its sole discretion or shall, if so directed by an Extraordinary Resolution of the Most Senior Class of Noteholders, serve a Trigger Notice to the Issuer.

At any time after a Trigger Notice has been served, the Representative of the Noteholders may (with the consent of an Extraordinary Resolution of the Most Senior Class of Noteholders) or shall (if so directed by an Extraordinary Resolution of the Most Senior Class of Noteholders) take such steps and/or institute such proceedings against the Issuer as it may think fit to ensure repayment of the Notes and payment of accrued but unpaid interest thereon in accordance with the Post-Trigger Priority of Payments.

Following the delivery of a Trigger Notice, the Issuer may (subject to the consent of the Representative of the Noteholders) or the Representative of the Noteholders may (or shall if so requested by an Extraordinary Resolution of the Most Senior Class of Noteholders) direct the Issuer to, dispose of the Aggregate Portfolio, subject to the terms and conditions of the Intercreditor Agreement.

Principal Deficiency Ledger

The Issuer has established and will maintain with the Computation Agent 1 (one) principal deficiency ledger (the **Principal Deficiency Ledger**), comprising of 3 (three) principal deficiency sub-ledgers, one in respect of the Senior Notes, another one in respect of the Mezzanine Notes and the last one in respect of the Junior Notes and namely: (i) a principal deficiency sub-ledger in respect of the Class A Notes (the **Class A Principal Deficiency Sub-Ledger**), (ii) a principal deficiency sub-ledger in respect of the Class B Notes (the **Class B Principal Deficiency Sub-Ledger**) and (iii) a principal deficiency sub-ledger in respect of the Class Z Notes (the **Class Z Principal Deficiency Sub-Ledger**).

On each Calculation Date prior to the delivery of a Trigger Notice or the redemption of the Notes in accordance with Condition 8.1 (*Final redemption*), Condition 8.3 (*Optional redemption for clean-up call*) or Condition 8.5 (*Redemption for taxation reasons*), the Computation Agent will record the aggregate Outstanding Principal of any Receivable that has become a Defaulted Receivable during the Collection Period ending on the immediately preceding Collection End Date, such amount being calculated as at the relevant Default Date (such amount, together with the Principal Available Funds used to cover any interest shortfall, the **"Defaulted Amounts**") as a debit to the Principal Deficiency Ledger in the following order:

(a) *first*, to the Class Z Principal Deficiency Sub-Ledger so long as, and to the extent that, the debit balance of the Class Z Principal Deficiency Sub-Ledger is less than the Principal Amount Outstanding of the Class Z Notes;

(b) *second*, to the Class B Principal Deficiency Sub-Ledger so long as, and to the extent that, the debit balance of the Class B Principal Deficiency Sub-Ledger is less than the Principal Amount Outstanding of the Class B Notes;

(c) *third*, to the Class A Principal Deficiency Sub-Ledger so long as, and to the extent that, the debit balance of the Class A Principal Deficiency Sub-Ledger is less than the Principal Amount Outstanding of the Class A Notes.

In addition to such Defaulted Amounts, any Principal Deficiency Ledger will be increased by the amounts applied at any precedent Payment Date of the Pre-Trigger Principal Priority of Payments under item (ii) thereof.

On each Payment Date the Interest Available Funds will be applied in accordance with items (ix) (*ninth*), (x) (*tenth*) and (xi)

(*eleventh*) of the Pre-Trigger Interest Priority of Payments: (a) towards any debit against the Class A Principal Deficiency Sub-Ledger, (b) towards any debit against the Class B Principal Deficiency Sub-Ledger and (c) towards any debit against the Class Z Principal Deficiency Sub-Ledger and, in each case, such amounts will, for the avoidance of doubt, thereupon become Principal Available Funds.

Pre-Trigger Interest Priority of Payments

Prior to the service of a Trigger Notice, the Interest Available Funds, as calculated on each Calculation Date, will be applied by or on behalf of the Issuer on the Payment Date immediately following such Calculation Date in making payments or provisions in the following order of priority but, in each case, only if and to the extent that payments or provisions of a higher priority have been made in full:

(i) *first*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of any and all outstanding taxes due and payable by the Issuer in relation to this Securitisation (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such costs and to the extent not already paid by Santander Consumer Bank under the Transaction Documents);

(ii) *second*, in or *towards* satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of:

(A) any and all outstanding fees, costs, liabilities and any other expenses to be paid in order to preserve the corporate existence of the Issuer, to maintain it in good standing, to comply with applicable legislation and to fulfil obligations to third parties (not being Other Issuer Creditors) incurred in the course of the Issuer's business in relation to this Securitisation (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such fees, costs, liabilities and expenses and to the extent not already paid by Santander Consumer Bank under the Transaction Documents);

(B) any and all outstanding fees, costs, liabilities, expenses and taxes required to be paid in connection with the listing, deposit or ratings of the Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such fees, costs, liabilities, expenses and taxes and to the extent not already paid by Santander Consumer Bank under the Transaction Documents);

(C) any and all outstanding fees, costs and expenses of and all other amounts due and payable to the Representative of the Noteholders or any appointee thereof;

(D) the amount necessary to replenish the Expenses Account up to the Retention Amount; and

(E) in or towards returning to the Seller an amount equal to the positive difference between (A) the Outstanding Principal of the any individual Defaulted Receivable repurchased by the Seller during any preceding Collection Period pursuant to the Master Transfer Agreement, and (B) the Final Determined Amount of such Defaulted Receivable;

(iii) *third*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of any and all outstanding fees, costs and expenses of any and all other amounts due and payable to the Paying Agents, the Computation Agent, the Corporate Services Provider, the Stichtingen Corporate Services Provider, the Account Banks, the Custodian Bank (if appointed) and any further Other Issuer Creditors, each pursuant to the terms of the Transaction Document(s) (save as otherwise provided under other items of this priority of payments);

(iv) *fourth*, in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of all fees, costs and expenses of, and all other amounts due and payable to, the Servicer, other than the amounts due to the Servicer in respect of the insurance *premia*, if any, advanced by the Servicer under the terms of the Servicing Agreement;

(v) *fifth*, in or towards satisfaction, *pro rata* and *pari passu*, of all amounts of interest due and payable on the *Class* A Notes;

(vi) *sixth*, in or towards satisfaction, *pro rata* and *pari passu*, of all amounts of interest due and payable on the Class B Notes;

(vii) *seventh*, if a Servicer Report Delivery Failure Event has occurred and is still outstanding as of the 3rd (third) Business Day prior to such Payment Date, to credit to or retain in, as the case may be, all amounts to the Collection Account;

(viii) *eighth*, to credit the Cash Reserve Account with the amount required such that the Cash Reserve equals the Target Cash Reserve Amount;

(ix) *ninth,* in or towards reduction of the Class A Principal Deficiency Sub-Ledger to 0 (zero) by allocating the relevant amounts to the Principal Available Funds;

(x) *tenth*, in or towards reduction of the Class B Principal Deficiency Sub-Ledger to 0 (zero) by allocating the relevant amounts to the Principal Available Funds;

(xi) *eleventh*, in or towards reduction of the Class Z Principal Deficiency Sub-Ledger to 0 (zero) by allocating the relevant amounts to the Principal Available Funds;

(xii) *twelfth*, after the delivery of a Set-Off Reserve Trigger Notice, to credit the Set-Off Reserve Account with the amount required such that the Set-Off Reserve equals the Target Set-Off Reserve Amount;

(xiii) *thirteenth*, in or towards satisfaction of all amounts due and payable to the Initial Subscriber under the terms of the Subscription Agreement;

(xiv) *fourteenth*, in or towards satisfaction of all amounts of interest due and payable to the Subordinated Loan Provider under the terms of the Subordinated Loan Agreement;

(xv) *fifteenth*, in or towards satisfaction of all amounts of principal due and payable to the Subordinated Loan Provider under the terms of the Subordinated Loan Agreement;

(xvi) *sixteenth*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of all amounts due and payable to Santander Consumer Bank in respect of the Seller's Claims (if any);

(xvii) *seventeenth*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of any and all outstanding fees, costs, liabilities and any other expenses to be paid to fulfil obligations to any Other Issuer Creditor incurred in the course of the Issuer's business in relation to this Securitisation (other than amounts already provided for in this Pre-Trigger Interest Priority of Payments);

(xviii) *eighteenth*, in or towards satisfaction of the Variable Return (if any) on the Class Z Notes.

Pre-Trigger Principal Priority of Payments

Prior to the service of a Trigger Notice, the Principal Available Funds, as calculated on each Calculation Date, will be applied by or on behalf of the Issuer on the Payment Date immediately following such Calculation Date in making payment or provision in the following order of priority but, in each case, only if and to the extent that payments or provisions of a higher priority have

been made in full:

(i) *first*, if a Servicer Report Delivery Failure Event has occurred and is still outstanding as of the third Business Day prior to such Payment Date, to credit all the Principal Available Funds to, or retain in, the Collection Account;

(ii) *second*, in or towards provision of the Interest Available Funds, to pay all the amounts due under items (i) to (vi) (included) of the Pre-Trigger Interest Priority of Payments, to the extent not paid under the Pre-Trigger Interest Priority of Payments as a consequence of the applicable Interest Available Funds (net of letter (j)) being not sufficient to that end;

(iii) *third*, during the Revolving Period

(A) in or towards payment to the Seller of the amount due as Purchase Price in respect of the Subsequent Portfolios purchased under the Master Transfer Agreement; and

(B) thereafter, to credit to and/or retain the remainder of the Principal Available Funds in the Collection Account;

(iv) *fourth*, during the Amortising Period, in or towards repayment, *pro rata* and *pari passu*, of the Principal Amount Outstanding of the Class A Notes until the Class A Notes are repaid in full;

(v) *fifth*, during the Amortising Period, upon repayment in full of the Class A Notes, in or towards repayment, pro rata and pari passu, of the Principal Amount Outstanding of the Class B Notes until the Class B Notes are repaid in full;

(vi) *sixth*, in or towards satisfaction of all amounts due and payable to the Initial Subscriber under the terms of the Subscription Agreement, to the extent not paid under item (xiii) of the Pre-Trigger Interest Priority of Payments;

(vii) *seventh*, in or towards satisfaction of all amounts of principal due and payable to the Subordinated Loan Provider under the Subordinated Loan Agreement, to the extent not paid under item (xv) of the Pre-Trigger Interest Priority of Payments;

(viii) *eighth*, during the Amortising Period, upon repayment in full of the Class A Notes and the Class B Notes, in or towards repayment, *pro rata* and *pari passu*, of the Principal Amount Outstanding of the Class Z Notes until such Class Z Notes are repaid in full; and

(ix) *ninth*, in or towards satisfaction of the Variable Return (if any) on the Class Z Notes.

Post-Trigger Priority of Payments

Following the service of a Trigger Notice or, in case of redemption as at the Final Maturity Date in accordance with Condition 8.1.1 or, in the event that the Issuer opts for the early redemption of the Notes issued under the Securitisation under Condition 8.3 (*Redemption, Purchase and Cancellation - Optional redemption for clean-up call*), Condition 8.4 (*Redemption, Purchase and Cancellation – Time Call Option*) or Condition 8.5 (*Redemption, Purchase and Cancellation – Optional redemption for taxation reasons*), the Issuer Available Funds, as calculated on each Calculation Date, will be applied by or on behalf of the Representative of the Noteholders on the Payment Date immediately following such Calculation Date in making payments or provisions in the following order of priority but, in each case, only if and to the extent that payments of a higher priority have been made in full:

(i) *first*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of any and all outstanding taxes due and payable by the Issuer in relation to this Securitisation (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such costs and to the extent not already paid by Santander Consumer Bank under the Transaction Documents);

(ii) *second*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of:

(A) any and all outstanding fees, costs, liabilities and any other expenses to be paid in order to preserve the corporate existence of the Issuer, to maintain it in good standing, to comply with applicable legislation and to fulfil obligations to third parties (not being Other Issuer Creditors) incurred in the course of the Issuer's business in relation to this Securitisation (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such fees, costs liabilities and expenses and to the extent not already paid by Santander Consumer Bank under the Transaction Documents);

(B) any and all outstanding fees, costs, liabilities, expenses and taxes required to be paid in connection with the listing, deposit or ratings of the Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such fees, costs, liabilities, expenses and taxes and to the extent

not already paid by Santander Consumer Bank under the Transaction Documents);

(C) any and all outstanding fees, costs and expenses of and all other amounts due and payable to the Representative of the Noteholders or any appointee thereof; and

(D) the amount necessary to replenish the Expenses Account up to the Retention Amount;

(iii) *third*, in or towards satisfaction, pro rata and *pari passu*, according to the respective amounts thereof, of any and all outstanding fees, costs and expenses of any and all other amounts due and payable to the Paying Agents, the Computation Agent, the Corporate Services Provider, the Stichtingen Corporate Services Provider, the Account Banks, the Servicer, the Custodian Bank (if appointed) and any further Other Issuer Creditors, each pursuant to the terms of the Transaction Document(s) (save as otherwise provided under other items of this priority of payments);

(iv) *fourth*, in or towards satisfaction, *pro rata* and *pari passu*, of all amounts due and payable in respect of interest (including any interest accrued but unpaid) on the Class A Notes at such date;

(v) *fifth*, in or towards repayment, *pro rata* and *pari passu*, of the Principal Amount Outstanding of the Class A Notes until the Class A Notes are repaid in full;

(vi) *sixth*, in or towards satisfaction, *pro rata* and *pari passu*, of all amounts due and payable in respect of interest (including any interest accrued but unpaid) on the Class B Notes at such date;

(vii) *seventh*, in or towards repayment, *pro rata* and *pari passu*, of the Principal Amount Outstanding of the Class B Notes until the Class B Notes are repaid in full;

(viii) *eighth*, in or towards satisfaction of all amounts due and payable to the Initial Subscriber under the terms of the Subscription Agreement;

(ix) *ninth*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of all amounts due and payable to Santander Consumer Bank in respect of the Seller's Claims (if any);

(x) *tenth*, in or towards satisfaction *pro rata* and *pari passu*, according to the respective amounts thereof, of all amounts due and payable to the Servicer in respect of the insurance premia, if any, advanced by the Servicer under

the terms of the Servicing Agreement;

(xi) *eleventh*, in or towards satisfaction of all amounts of: interest due and payable to the Subordinated Loan Provider under the terms of the Subordinated Loan Agreement;

(xii) *twelfth*, in or towards satisfaction of all amounts of principal due and payable to the Subordinated Loan Provider under the terms of the Subordinated Loan Agreement;

(xiii) *thirteenth*, in or towards satisfaction, *pro rata* and *pari passu*, of all amounts due and payable in respect of interest (including any interest accrued but unpaid) on the Class Z Notes;

(xiv) *fourteenth*, in or towards repayment, *pro rata* and *pari passu*, of the Principal Amount Outstanding of the Class Z Notes until the Class Z Notes are redeemed in full; and

(xv) *fifteenth*, in or towards satisfaction of the Variable Return (if any) on the Class Z Notes,

provided that, if the amount of the monies at any time available to the Issuer or to the Representative of the Noteholders for the payments above shall be less than 10% of the Principal Amount Outstanding of the Notes, the Issuer may decide that such monies shall be invested in Eligible investments in accordance with the Intercreditor Agreement and the Cash Allocation, Management and Payment Agreement.

Cash Reserve

On the Issue Date, the Issuer will establish the Cash Reserve by crediting to the Cash Reserve Account an amount equal to the Cash Reserve Advance. Such amount will be funded by the Issuer using the proceeds of the Subordinated Loan.

On each Payment Date up to (but excluding) the earlier of (i) the Final Maturity Date Date, (ii) the Payment Date on which the Rated Notes will be redeemed in full, and (iii) the Payment Date following the delivery of a Trigger Notice, the Interest Available Funds will be applied in accordance with the Pre-Trigger Interest Priority of Payments to bring the balance of the Cash Reserve Account up to (but not exceeding) the Target Cash Reserve Amount.

On each Payment Date up to (but excluding) the earlier of (i) the Final Maturity Date, (ii) the Payment Date on which the Rated Notes will be redeemed in full, and (iii) the Payment Date following the delivery of a Trigger Notice, the Cash Reserve will form part of the Interest Available Funds and will be available to make payments in accordance with the Pre-Trigger Interest Priority of Payments.

On the earlier of (i) the Final Maturity Date, (ii) the Payment Date on which there will be sufficient Issuer Available Funds

(including the Cash Reserve) to redeem in full the Rated Notes, and (iii) the Payment Date following the delivery of a Trigger Notice, the Target Cash Reserve Amount will be reduced to 0 (zero) and all amounts standing to the credit of the Cash Reserve Account will form part of the Principal Available Funds and will be available to make payments in accordance with the applicable Priority of Payments. For the avoidance of doubt the Target Cash Reserve Amount will be reduced to 0 (zero) and all amounts standing to the credit of the Cash Reserve Account will form part of the Principal Available Funds and will be available to make payments in accordance with the Post-Trigger Priority of Payments in case of early redemption of the Notes pursuant to Condition 8.4 (*Optional redemption for taxation reasons*).

Set-Off Reserve

Following the occurrence of the occurrence of a Set-Off Reserve Trigger Event, the Issuer will establish the Set-Off Reserve by crediting to the Set-Off Reserve Account an amount equal to the Target Set-Off Reserve Amount. Such amount will be funded by the Issuer using the proceeds of the Subordinated Loan.

On each Payment Date up to (but excluding) the earlier of (i) the Cancellation Date, (ii) the Payment Date on which the Rated Notes will be redeemed in full, and (iii) the Payment Date following the delivery of a Trigger Notice, the Interest Available Funds will be applied in accordance with the Pre-Trigger Interest Priority of Payments to bring the balance of the Set-Off Reserve Account up to (but not exceeding) the Target Set-Off Reserve Amount.

Furthermore, each time following the occurrence of Set-Off Reserve Trigger Event there would be an increase of the Target Set-Off Reserve Amount as a result of the purchase of any Subsequent Portfolio by the Issuer (and the consequent increase of the Net Exposure of the Aggregate Portfolio), then the Subordinated Loan Provider may agree to make any increase of the Target Set-Off Reserve Amount following the occurrence of any Set-Off Reserve Top-Up Event through a further advance under the Subordinated Loan to the Issuer, so as to provide the latter with the relevant additional funds to be credited to the Set-Off Reserve.

On each Payment Date up to (and including) the earlier of (i) the Cancellation Date, (ii) the Payment Date on which the Rated Notes will be redeemed in full, and (iii) the Payment Date following the delivery of a Trigger Notice, the Set-Off Reserve, in an amount equal to the Set-Off Reserve Required Amount, will form part of the Principal Available Funds and will be available to make payments in accordance with the applicable Priority of Payments.

On each Payment Date up to (and including) the earlier of (i) the Cancellation Date, (ii) the Payment Date on which the Rated Notes will be redeemed in full, and (iii) the Payment Date following the delivery of a Trigger Notice, any Set-Off Reserve Excess Amount will be applied by the Issuer to repay the Subordinated Loan outside the Priority of Payments.

On the earlier of (i) the Cancellation Date, (ii) the Payment Date on which the Rated Notes will be redeemed in full, and (iii) the Payment Date following the delivery of a Trigger Notice, the Target Set-Off Reserve Amount will be reduced to 0 (zero) and all amounts standing to the credit of the Set-Off Reserve Account will form part of the Principal Available Funds and will be available to make payments in accordance with the applicable Priority of Payments.

TRANSFER AND ADMINISTRATION OF THE AGGREGATE PORTFOLIO

Transfer of the Aggregate Portfolio

Under the Master Transfer Agreement, the Seller and the Issuer have agreed the terms and conditions for the assignment and transfer from the Seller to the Issuer of the Portfolios of the Receivables arising out of the Consumer Loan Agreements owed to the Seller by the Debtors thereunder.

Under the Master Transfer Agreement the Seller (i) has assigned and transferred to the Issuer, and the Issuer has purchased from the Seller, the Initial Portfolio on the Initial Transfer Date and (ii) may assign and transfer to the Issuer, and the Issuer shall purchase from the Seller, Subsequent Portfolios on each Subsequent Transfer Date during the Revolving Period, subject to the terms and conditions thereunder.

The Initial Portfolio has been and each Subsequent Portfolio will be assigned and transferred without recourse (*pro soluto*) and pursuant to the combined provisions of articles 1 and 4 of the Securitisation Law and the articles of Law 52 referred to therein.

The Receivables comprised in the Initial Portfolio and each Subsequent Portfolio shall meet the Eligibility Criteria.

As consideration for the purchase of the Receivables comprised in each Portfolio, the Issuer shall pay to the Seller the Purchase Price, being equal to the aggregate sum of the Individual Purchase Prices for all the Receivables comprised in the relevant Portfolio. The Individual Purchase Price for the Receivables relating to each Consumer Loan is equal to the relevant Outstanding Principal, calculated as of the relevant Valuation Date.

The Purchase Price for the Initial Portfolio is equal to € 746,498,038.75 and, subject to the terms and conditions of the Master Transfer Agreement, will be paid by the Issuer to the Seller on the Issue Date using part of the net proceeds of the issuance of the Notes.

Subject to the terms and conditions of the Master Transfer Agreement, the Purchase Price for each Subsequent Portfolio will be paid by the Issuer to the Seller through the Principal Available Funds which will be available for such purpose, in accordance with the Pre-Trigger Principal Priority of Payments.

In addition, under the Master Transfer Agreement the Issuer granted to the Seller certain call options pursuant to which, the Seller, subject to certain conditions and limitations, may repurchase from the Issuer all or part of the Receivables

comprised in the Aggregate Portfolio not already collected as of the date of exercise of any such options.

In particular:

(a) the Issuer has granted to the Seller, an option, pursuant to article 1331 of the Italian civil code, to repurchase individual Receivables comprised in the Aggregate Portfolio provided that, *inter alia*, the Outstanding Principal, as at the relevant economic effective date (as specified in the relevant Individual Receivables Repurchase Option Exercise Notice), of the Receivables subject to repurchase - plus the aggregate Outstanding Principal, as at the relevant economic effective date (as specified in the relevant Individual Receivables Repurchase Option Exercise Notice), of the Receivables already repurchased - does not exceed (i) for the entire life of the Securitisation, 15.00 per cent. of the aggregate Outstanding Principal, as at the Initial Valuation Date, of all Receivables comprised in the Initial Portfolio; and (ii) on an annual, basis 10.00 per cent. of the aggregate Outstanding Principal, as at the Initial Valuation Date, of all Receivables comprised in the Initial Portfolio. To this extent the Seller shall confirm to the Issuer that such thresholds have not been exceeded in each relevant Individual Receivables Repurchase Option Exercise Notice;

(b) the Issuer has granted to the Seller, an option, pursuant to article 1331 of the Italian civil code, to repurchase the Aggregate Portfolio. Such option can be exercised by the Seller only in respect of any Payment Date following the occurrence of a Clean-up Call Event or a Tax Call Event, provided that, *inter alia*, the repurchase price of the Aggregate Portfolio (as determined in accordance with paragraph (c) below), together with the other Issuer Available Funds, is sufficient to enable the Issuer to discharge its obligations under the Notes and any obligations ranking in priority thereto, or *pari passu* therewith, on the Relevant Payment Date in accordance with the Conditions.

For further details, see the section headed "*Description of the Master Transfer Agreement*".

Transfer Limits

The Receivables comprised in each Subsequent Portfolio shall, as at the relevant Offer Date, comply with the Transfer Limits set out in the Master Transfer Agreement.

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

Purchase Termination Events

The occurrence of any of the following events will constitute a **Purchase Termination Event**:

(a) *Breach of representations and warranties by Santander Consumer Bank*: any of the representations and warranties given by Santander Consumer Bank under any

of the Transaction Documents to which it is party is or proves to have been incorrect or misleading when made, or deemed to be made, in any respect which is deemed material in the Representative of the Noteholders' opinion when made or repeated, provided that such breach remains unremedied for 30 (thirty) days after the Representative of the Noteholders has given written notice thereof to the Issuer and Santander Consumer Bank declaring that such breach is, in its opinion, materially prejudicial to the interest of the Noteholders; or

(b) *Breach of ratios*:

(i) the Cumulative Loss Ratio, calculated on the relevant Servicer Report Date, is above the following level as at the relevant Servicer Report Date:

(a) 0.50% as at the Servicer Report Date falling on June 2020; or

(b) 0.80% as at the Servicer Report Date falling on September 2020; or

(c) 1.45% as at the Servicer Report Date falling on December 2020; or

(d) 2.20% as at the Servicer Report Date falling on March 2021; or

(e) 3.00% as at the Servicer Report Date falling on June 2021; or

(f) 3.85% as at the Servicer Report Date falling on September 2021; or

(g) 4.70% as at the Servicer Report Date falling on December 2021; or

(h) 5.50% as at the Servicer Report Date falling on March 2022; or

(ii) the Delinquency Ratio for the immediately preceding Collection Period, calculated on the relevant Offer Date, is higher than the Delinquency Ratio Threshold; or

(iii) the Collateral Ratio for the 2 (two) immediately preceding Collection Periods, calculated on the relevant Offer Date, is lower than the Collateral Ratio Threshold; or

(c) *Principal Deficiency*: on any Payment Date, a debit balance remains outstanding on the Class A Principal Deficiency Sub-Ledger or the Class B Principal Deficiency Sub-Ledger following the relevant payments

and/or provisions required to be made by the Issuer on such date in accordance with the Pre-Trigger Interest Priority of Payments; or

(d) *Cash Reserve*: on any Payment Date, the amount standing to the credit of the Cash Reserve Account is lower than the Target Cash Reserve Amount following the relevant payments and/or provisions required to be made by the Issuer on such date in accordance with the Pre-Trigger Interest Priority of Payments; or

(e) *Collections*: the Collections are not transferred by the Servicer into the Collection Account, irrevocably and in cleared funds, pursuant to the terms and conditions of the Servicing Agreement; or

(f) *Servicer Report*: other than as a result of force majeure, notwithstanding the occurrence of which the Servicer has used its reasonable endeavours to deliver the Servicer Report in the circumstances, the Servicer fails to deliver a Servicer Report on the due date therefor in accordance with the Servicing Agreement and such failure continues for a period of 7 (seven) Business Days; or

(g) *Subsequent Portfolios*: the Seller fails, during the Revolving Period, to offer for sale to the Issuer Subsequent Portfolios for 3 (three) consecutive Offer Dates; or

(h) *Receipt of a Trigger Notice*: the Issuer receives a Trigger Notice; or

(i) *Delivery of a Tax Redemption Notice*: the Issuer delivers a Tax Redemption Notice.

Upon occurrence of a Purchase Termination Event during the Revolving Period, the Servicer shall serve a Purchase Termination Notice on the Issuer (with copy to the Seller, the Representative of the Noteholders, the Computation Agent and the Rating Agencies). It is understood that, in case of delivery of a Trigger Notice by the Representative of the Noteholders or a Tax Redemption Notice by the Issuer, such Trigger Notice or Tax Redemption Notice, as the case may be, will constitute also a Purchase Termination Notice without the need for the service of a separate notice.

Following receipt of a Purchase Termination Notice, the Issuer shall refrain from purchasing any further Subsequent Portfolios and the Amortisation Period will start.

For further details, see the section headed "*Description of the Master Transfer Agreement*".

Warranty and Indemnity Agreement

Pursuant to the Warranty and Indemnity Agreement, the Seller has given certain representations and warranties in favour of the Issuer in relation to, *inter alia*, itself, the Receivables, the Consumer Loan Agreements and the Borrowers and has agreed to indemnify the Issuer in respect of certain liabilities of the Issuer

incurred in connection with the purchase and ownership of the Aggregate Portfolio.

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

Servicing Agreement

Pursuant to the Servicing Agreement, the Servicer has agreed to administer and service on behalf of the Issuer the Aggregate Portfolio and, in particular, to (i) collect and recover amounts due in respect of the Receivables; (ii) administer relationships with the Debtors; and (iii) carry out certain activities in relation to the Receivables in accordance with the Servicing Agreement and the Credit and Collection Policies.

Pursuant to the Servicing Agreement, the Servicer will act as the "*soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e pagamento*" in accordance with the Securitisation Law. In such capacity, the Servicer shall also be responsible for verifying that the operations comply with the law and this Prospectus pursuant to article 2, paragraph 3(c) and article 2, paragraphs 6 and 6-*bis*, of the Securitisation Law.

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

OTHER TRANSACTION DOCUMENTS

Intercreditor Agreement

Pursuant to the Intercreditor Agreement, the parties thereto have agreed to, *inter alia*, (i) the application of the Issuer Available Funds, in accordance with the Priority of Payments; (ii) the limited recourse nature of the obligations of the Issuer; and (iii) the circumstances in which the Representative of the Noteholders will be entitled to exercise certain rights in relation to the Aggregate Portfolio. For further details, see the section headed "*Description of the Intercreditor Agreement*".

Cash Allocation, Management and Payment Agreement

Pursuant to the Cash Allocation, Management and Payment Agreement, the Computation Agent, the Spanish Account Bank, the Italian Account Bank and the Paying Agents have agreed to provide the Issuer with certain agency services and certain calculation, notification and reporting services, together with account handling and investment services in relation to monies and securities from time to time standing to the credit of the Accounts. The Cash Allocation, Management and Payment Agreement also contains provisions for the payment of principal and interest in respect of the Notes and for the investment in Eligible Investments.

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

Mandate Agreement

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

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

Quotaholders Agreement

Pursuant to the Quotaholders Agreement, the Quotaholders have given certain undertakings in relation to the management of the Issuer and the exercise of its rights as quotaholders of the Issuer.

For further details, see the section headed "*The Quotaholders Agreement*".

Corporate Services Agreement

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

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

Stichtingen Corporate Services Agreement

Pursuant to the Stichtingen Corporate Services Agreement, the Stichtingen Corporate Services Provider has agreed to provide the Quotaholders with a number of services including, *inter alia*, the provision of accounting and financial services and the management and administration of the Quotaholders.

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

Subordinated Loan Agreement

Pursuant to the Subordinated Loan Agreement, the Subordinated Loan Provider has agreed to grant on the Issue Date to the Issuer the Subordinated Loan in an amount equal to the aggregate of the Cash Reserve Advance and the Retention Amount.

In addition, upon the service of a Set-Off Reserve Trigger Notice (following the occurrence of a Set-Off Reserve Trigger Event) the Subordinated Loan Provider will make an advance under the Subordinated Loan to the Issuer which will be used by the latter in order to establish the Set-Off Reserve up to the Target Set-Off Reserve Amount. Each time following the occurrence of Set-Off Reserve Trigger Event there would be an increase of the Target Set-Off Reserve Amount as a result of the purchase of any Subsequent Portfolio by the Issuer (and the consequent increase of the Net Exposure of the Aggregate Portfolio), then the Subordinated Loan Provider may agree to make a further advance under the Subordinated Loan to the Issuer, so as to provide the latter with the relevant additional funds to be credited to the Set-Off Reserve.

Interest on the Subordinated Loan will be payable by the Issuer on each Payment Date using the Issuer Available Funds available for such payment in accordance with the applicable Priority of Payments.

Principal on the Subordinated Loan will be repayable by the Issuer on each Payment Date using (i) the Issuer Available Funds

	available for such payment in accordance with the applicable Priority of Payments, and (ii) any Set-Off Reserve Excess Amount outside and irrespective of the Priority of Payments. For further details, see the section headed "*Description of the Subordinated Loan Agreement*".
Spanish Deed of Pledge	Pursuant to the Spanish Deed of Pledge, the Issuer shall, *inter alia*, create a Spanish law pledge over the credit rights arising from the Collection Account and the Cash Reserve Account, including all of its present and future rights, title and interest in or to such Accounts and all amounts (including interest) standing from time to time to the credit of, or accrued or accruing on such Accounts in favour of the Representative of the Noteholders, acting in its own name and on behalf of the Noteholders and the Other Issuer Creditors. For further details, see the section headed "*Description of the Spanish Deed of Pledge*".
Governing law of the Transaction Documents	All the Transaction Documents, save for the Spanish Deed of Pledge, and any non-contractual obligations arising out of or in connection with them, are governed by and will be construed in accordance with Italian law. The Spanish Deed of Pledge and any non-contractual obligations arising out of or in connection with it are governed by and will be construed in accordance with Spanish law.

THE AGGREGATE PORTFOLIO

Introduction

The Aggregate Portfolio consists of the Receivables comprised in the Initial Portfolio and the Subsequent Portfolios, respectively, purchased and to be purchased by the Issuer from the Seller pursuant to the terms of the Master Transfer Agreement.

The Initial Portfolio, purchased by the Issuer from the Seller on the Initial Transfer Date (with economic effects from the Initial Valuation Date, being 23:59 of 23 January 2020), comprised debt obligations owed by 75,398 Borrowers, under 75,398 Consumer Loan Agreements. The Outstanding Principal of the Initial Portfolio as at the Initial Valuation Date was € 746,498,038.75.

The Purchase Price of the Initial Portfolio will be funded through the net proceeds of the Notes.

During the Revolving Period, subject to the terms and conditions of the Master Transfer Agreement, the Seller may assign and transfer to the Issuer, and the Issuer shall purchase from the Seller, Subsequent Portfolios of Receivables having substantially the same characteristics as the Consumer Loans comprised in the Initial Portfolio. The Purchase Price of each Subsequent Portfolio will be funded through the Principal Available Funds available for such purpose, in accordance with the Pre-Trigger Principal Priority of Payments.

All the Receivables comprised in the Aggregate Portfolio arise and will arise out of the Consumer Loans granted by Santander Consumer Bank in its ordinary course of business to certain Debtors classified as performing (*crediti in bonis*) by the Seller in accordance with the Bank of Italy's guidelines as at the relevant Valuation Date. TheAggregate Portfolio consists of Consumer Loans and its composition could vary during the Revolving Period within certain limits provided for by the Transaction Documents (for further details, see the following paragraph entitled "*Transfer Limits*" of this section headed "*The Aggregate Portfolio*").

Eligibility Criteria

The Receivables comprised in the Initial Portfolio and in each Subsequent Portfolio shall, as at the relevant Valuation Date, comply with the following Eligibility Criteria:

(a) Receivables arising from Consumer Loans entered into and fully advanced by Santander Consumer Bank S.p.A.;

(b) Receivables arising from Consumer Loan Agreements governed by Italian law;

(c) Receivables arising from Consumer Loans granted to Debtors which, as at the date of signing of the relevant Consumer Loan Agreement, are individuals (*persone fisiche*);

(d) Receivables arising from Consumer Loans granted for an amount not higher than Euro 75,000;

(e) Receivables arising from Consumer Loans which provide for a fixed rate of interest;

(f) Receivables arising from Consumer Loans which provide for a monthly amortisation plan with the exception of the Balloon Instalment;

(g) Receivables arising from Consumer Loan Agreements that (1) have been entered into in order to finance the purchase by the Debtor of goods/services or Vehicles, or (2) qualify as non-purpose consumer loans (*finanziamenti senza vincolo di destinazione*) granted and advanced directly to the relevant Debtor and defined as "*prestito personale*";

(h) Receivables arising from Consumer Loans that, if granted to Debtors for the purchase of Vehicles, have been granted exclusively for the purchase of cars and motorbikes registered with the P.R.A. (*Pubblico Registro Automobilistico*) and disbursed to the relevant conventioned dealer (*esercizio convenzionato*);

(i) Receivables arising from Consumer Loans which have at least one Instalment (including a Principal Component and an Interest Component) that has already fallen due and been paid;

(j) Receivables arising from Consumer Loans granted to the same Debtor which have an Outstanding Principal (net of any Principal Component due and not paid) that does not exceed Euro 75,000;

(k) Receivables arising from Consumer Loans which are not classified as Delinquent Receivables or Defaulted Receivables.

Among the receivables satisfying all the criteria set out in paragraphs from paragraphs (a) to (k) above, those which, as at the Valuation Date, satisfy also at least one of the following criteria will not be transferred to the Issuer:

(a) receivables arising loans which have one or more instalments that are overdue (meaning an instalment that fell due and was not fully paid on the due date and that remained unpaid for at least one calendar month as of such date);

(b) receivables arising from loans which, following the execution of the relevant loan agreement, have had at any time more than 3 (three), even if not consecutively, overdue instalments (meaning instalments that fell due and were not fully paid on the relevant due date and that remained unpaid for at least 1 (one) calendar month as of that date);

(c) receivables arising from loans granted to individuals who, at the time of the advance of the relevant loan, were employees, agents or attorneys of Santander Consumer Bank S.p.A.;

(d) receivables arising from loans which require the specific consent of the borrower for the transfer of the relevant receivables pursuant to the relevant loan agreement or other contractual documentation applicable;

(e) receivables arising from loans secured by the assignment of one-fifth of the salary, one-fifth of the pension or assisted by a delegation of payment to the relevant employer; or

(f) receivables arising from loans relating to a financed asset which has not yet been delivered to the relevant borrower.

Transfer Limits

The Receivables comprised in the Aggregate Portfolio (taking into account the Subsequent Portfolio offered for sale) shall, as at the relevant Offer Date, comply with the following Transfer Limits:

(a) the ratio between:

(i) the aggregate Outstanding Principal, as at the Collection End Date immediately preceding such Offer Date, of the Receivables comprised in the Collateral Aggregate Portfolio arising from Consumer Loans granted to Debtors resident in the regions of Abruzzo, Molise, Campania, Calabria, Basilicata, Puglia, Sicilia and Sardegna, plus the aggregate Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the relevant Subsequent Portfolio arising from Consumer Loans to Debtors resident in the regions of Abruzzo, Molise, Campania, Calabria, Basilicata, Puglia, Sicilia and Sardegna; and

(ii) the aggregate Outstanding Principal, as at the Collection End Date immediately preceding such Offer Date, of all Receivables comprised in the Collateral Aggregate Portfolio already transferred to the Issuer, plus the aggregate Outstanding Principal, as at the relevant Valuation Date, of all Receivables comprised in the relevant Subsequent Portfolio,

is equal to, or lower than, 35 per cent.;

(b) the ratio between:

(i) the aggregate Outstanding Principal, as at the Collection End Date immediately preceding such Offer Date, of the Receivables comprised in the Collateral Aggregate Portfolio arising from Consumer Loans granted to Debtors paying by SEPA Direct Debit, plus the aggregate Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the relevant Subsequent Portfolio arising from Consumer Loans granted to Debtors paying by SEPA Direct Debit; and

(ii) the aggregate Outstanding Principal, as at the Collection End Date immediately preceding such Offer Date, of all Receivables comprised in the Collateral Aggregate Portfolio already transferred to the Issuer, plus the aggregate Outstanding Principal, as at the relevant Valuation Date, of all Receivables comprised in the relevant Subsequent Portfolio,

is equal to, or higher than, 90 per cent.;

(c) the ratio between:

(i) the aggregate Outstanding Principal, as at the Collection End Date immediately preceding such Offer Date, of the Receivables comprised in the Collateral Aggregate Portfolio arising from Consumer Loans granted for the purchase of Vehicles, plus the aggregate Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the relevant Subsequent Portfolio arising from Consumer Loans granted for the purchase of Vehicles; and

(ii) the aggregate Outstanding Principal, as at the Collection End Date immediately preceding such Offer Date, of all Receivables comprised in the Collateral Aggregate Portfolio already transferred to the Issuer, plus the aggregate Outstanding Principal, as at the relevant Valuation Date, of all Receivables comprised in the relevant Subsequent Portfolio,

is higher than 35 per cent;

(d) the ratio between:

(i) the aggregate Outstanding Principal, as at the Collection End Date immediately preceding such Offer Date, of the Receivables comprised in the Collateral Aggregate Portfolio arising from Consumer Loans that qualify as non-purpose consumer loans (*finanziamenti senza vincolo di destinazione*) granted and advanced directly to the relevant Debtor and defined as "*prestito personale*", plus the aggregate Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the relevant Subsequent Portfolio arising from Consumer Loans that qualify as non-purpose consumer loans (*finanziamenti senza vincolo di destinazione*) granted and advanced directly to the relevant Debtor and defined as "*prestito personale*"; and

(ii) the aggregate Outstanding Principal, as at the Collection End Date immediately preceding such Offer Date, of all Receivables comprised in the Collateral Aggregate Portfolio already transferred to the Issuer, plus the aggregate Outstanding Principal, as at the relevant Valuation Date, of all Receivables comprised in the relevant Subsequent Portfolio,

is not higher than 35 per cent;

(e) the Weighted Average TAN of the Receivables comprised in the Aggregate Portfolio (taking into account the Subsequent Portfolio offered for sale) is equal to, or higher than, 4.25 per cent.;

(f) the ratio between:

(i) the aggregate Outstanding Principal, as at the Collection End Date immediately preceding such Offer Date, of the Receivables comprised in the Collateral

Aggregate Portfolio arising from Consumer Loans granted to a single Debtor plus the aggregate Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the relevant Subsequent Portfolio arising from Consumer Loans granted for the same Debtor; and

(ii) the aggregate Outstanding Principal, as at the Collection End Date immediately preceding such Offer Date, of all Receivables comprised in the Collateral Aggregate Portfolio already transferred to the Issuer, plus the aggregate Outstanding Principal, as at the relevant Valuation Date, of all Receivables comprised in the relevant Subsequent Portfolio,

does not exceed 0.02 per cent.;

(g) the ratio between:

(i) the aggregate Outstanding Principal, as at the Collection End Date immediately preceding such Offer Date, of the Receivables comprised in the Collateral Aggregate Portfolio arising from Consumer Loans granted to the 10 (ten) Debtors with the highest debt exposures in terms of Outstanding Principal, plus the aggregate Outstanding Principal, as at the relevant Valuation Date, of the Receivables comprised in the relevant Subsequent Portfolio arising from Consumer Loans granted to the 10 (ten) Debtors with the highest debt exposures in terms of Outstanding Principal; and

(ii) the aggregate Outstanding Principal, as at the Collection End Date immediately preceding such Offer Date, of all Receivables comprised in the Collateral Aggregate Portfolio already transferred to the Issuer, plus the aggregate Outstanding Principal, as at the relevant Valuation Date, of all Receivables comprised in the relevant Subsequent Portfolio,

does not exceed 0.2 per cent.;

(h) the ratio between:

(i) the aggregate Outstanding Principal, as at the Collection End Date immediately preceding such Offer Date, of Receivables comprised in the Collateral Aggregate Portfolio having an Outstanding Principal higher than Euro 60,000, plus the aggregate Outstanding Principal, as at the relevant Valuation Date, of Receivables comprised in the relevant Subsequent Portfolio having an Outstanding Principal higher than Euro 60,000; and

(ii) the aggregate Outstanding Principal, as at the Collection End Date immediately preceding such Offer Date, of all Receivables comprised in the Collateral Aggregate Portfolio already transferred to the Issuer, plus the aggregate Outstanding Principal, as at the relevant Valuation Date, of all Receivables comprised in the relevant Subsequent Portfolio,

does not exceed, 0.5 per cent.

Other features of the Aggregate Portfolio

Under the Warranty and Indemnity Agreement, the Seller has represented and warranted, *inter alia*, as follows.

(a) All Consumer Loans and Receivables exist and are expressed in Euro.

(b) The interest rates applicable on the Consumer Loans (i) have always been or will be, as the case may be, applied, owed and received in full compliance with the laws applicable from time to time (including, in particular, the Usury Law, where applicable); (ii) are or will be, as the case may be, true and correct; and (iii) are or will be, as the case may be, fixed interest rates, which are not subject

to reductions or changes for the entire duration of the Consumer Loan, without prejudice for the right of the Debtor to refinance the Balloon Instalment in accordance with the terms and conditions set forth under the relevant Consumer Loan Agreement.

(c) Each Receivable is fully and unconditionally in the ownership and availability of the Seller and is not subject to any attachment or seizure, nor to any other encumbrance in favour of third parties, and is freely transferable to the Issuer. The Seller has the exclusive and free ownership of all the Consumer Loans and Receivables and has not transferred, assigned or in any way sold to anyone other than the Issuer (neither in full nor by way of security) any of the Consumer Loans or Receivables, nor it has created or permitted others to create or establish any security, pledge, encumbrance or other right, claim or any third parties' right over one or more Consumer Loans or Receivables in favour of subjects other than the Issuer. Neither the Consumer Loan Agreements nor any other agreement, deed or document relating thereto contain clauses or provisions pursuant to which the owner of the relevant Receivables is prevented from transferring, assigning them or otherwise dispose of such Receivables, even if only in part.

For further details please see section headed "*Description of the Warranty and Indemnity Agreement*".

Insurance Policies

Santander Consumer Bank intermediates different insurance products, included and financed within financed amount, through many agreements with several top insurance companies.

Regarding the auto business, the two main products included in the finance amount are Credit Protection Insurance and Fire & Theft Insurance. The coverage is provided mainly by CNP Santander Insurance (CPI) and Zurich Connect and Allianz (Fire & Theft) that are the Insurance Companies that register the higher concentration in the portfolio. They are both offered at POS, CPI being proposed with telemarketing as well after 1 month by a telesales agency.

Pool Audit

An external verification (including verification that the data disclosed in this Prospectus in respect of the Receivables is accurate) has been made in respect of the Initial Portfolio prior to the Issue Date by an appropriate and independent party and no significant adverse findings have been found.

THE INITIAL PORTFOLIO

The following tables set out statistical information representative of the characteristics of the Initial Portfolio. The tables are derived from information supplied by the Seller in connection with the acquisition of the Initial Portfolio by the Issuer on the Initial Transfer Date. The information in the tables reflects the position as at the Initial Valuation Date and amounts, where relevant, are in euro.

The primary characteristics of the Initial Portfolio as at the Initial Valuation Date are as follows:

POOL TYPE	Counting (#)	Percent (%)	Balance (€)	Percent (%)
Auto	37,920	49.90%	471,744,899	63.19%
Durables	13,835	18.21%	23,909,528	3.20%
Direct	24,233	31.89%	250,843,612	33.60%

Current Balance (€)	746,498,039
Original Balance (€)	958,903,781
Avg Current Balance (€)	9,824
Number of Loans	75,988
Number of Debtors	75,398
Max Debtor Exposure (€)	61,062
Top 5 Debtors Exposure	0.036%
Top 20 Debtors Exposure	0.135%
Weighted Avg Seasoning (Years)	1.24
Weighted Avg Residual Maturity (Years)	3.07
Weighted Avg Yield	6.27%
Largest Geographical Area	North of Italy 49.44%
Type of Interest Rate	Fixed

GEOGRAPHY				
Region	**Counting (#)**	**Percent (%#)**	**Balance (CRD €)**	**Percent (%€)**
NORD	35,145	46.25%	369,064,532	49.44%
CENTRALE	17,728	23.33%	165,721,336	22.20%
MERIDIONALE	23,115	30.42%	211,712,171	28.36%
TOTAL	**75,988**	**100.00%**	**746,498,039**	**100.00%**

OUTSTANDING BALANCE (principal only)				
CLASSES	**Counting (#)**	**Percent (%#)**	**Balance (CRD €)**	**Percent (%€)**
01. balance <= 5000€	24,425	32.14%	51,719,468	6.93%
02. 5000€ < balance <= 10000€	17,114	22.52%	128,587,393	17.23%
03. 10000€ < balance <= 15000€	15,803	20.80%	198,464,677	26.59%
04. 15000€ < balance <= 20000€	11,957	15.74%	205,562,207	27.54%
05. 20000€ < balance <= 25000€	4,585	6.03%	100,785,972	13.50%
06. 25000€ < balance <= 30000€	1,485	1.95%	40,444,924	5.42%
07. 30000€ < balance <= 35000€	478	0.63%	15,140,247	2.03%
08. 35000€ < balance <= 40000€	77	0.10%	2,848,695	0.38%
09. 40000€ < balance <= 45000€	27	0.04%	1,137,290	0.15%
10. 45000€ < balance <= 50000€	27	0.04%	1,288,323	0.17%
11. balance > 50000€	10	0.01%	518,843	0.07%
TOTAL	**75,988**	**100.00%**	**746,498,039**	**100.00%**
Average	**9,824**			

RESIDUAL MATURITY				
CLASSES	**Counting (#)**	**Percent (%#)**	**Balance (CRD €)**	**Percent (%€)**
01. Maturity <= 12M	16,023	21.09%	81,546,062	10.92%
02. 12M < Maturity <= 24M	21,819	28.71%	196,658,086	26.34%
02. 24M < Maturity <= 36M	18,318	24.11%	208,613,224	27.95%
02. 36M < Maturity <= 48M	6,178	8.13%	64,003,809	8.57%
02. 48M < Maturity <= 60M	4,702	6.19%	48,933,114	6.56%
02. 60M < Maturity <= 72M	5,121	6.74%	70,884,867	9.50%
02. 72M < Maturity <= 84M	2,596	3.42%	47,396,444	6.35%
02. 84M < Maturity <= 96M	172	0.23%	3,738,210	0.50%
02. 96M < Maturity <= 108M	478	0.63%	10,868,559	1.46%
02. 108M < Maturity <= 120M	581	0.76%	13,855,664	1.86%
11. Maturity > 120M	-	0.00%	-	0.00%
TOTAL	**75,988**	**100.00%**	**746,498,039**	**100.00%**
Average (weighted)[5]	**36.80**	**months**	**3.07**	**years**

PAYMENT METHOD				
PAYMENT METHOD	**Counting (#)**	**Percent (%#)**	**Balance (CRD €)**	**Percent (%€)**
R.I.D.	72,246	95.08%	730,353,415	97.84%
Bollettino Postale	3,742	4.92%	16,144,624	2.16%
TOTAL	**75,988**	**100.00%**	**746,498,039**	**100.00%**

INTEREST RATE (nominal 12 months)				
CLASSES	**Counting (#)**	**Percent (%#)**	**Balance (CRD €)**	**Percent (%€)**
01. interest rate <= 2%	6,539	8.61%	32,063,060	4.30%
02. 2% < interest rate <= 4%	7,722	10.16%	96,418,346	12.92%
02. 4% < interest rate <= 6%	23,372	30.76%	279,979,187	37.51%
02. 6% < interest rate <= 8%	19,401	25.53%	161,497,214	21.63%
02. 8% < interest rate <= 10%	13,443	17.69%	142,761,516	19.12%
07. interest rate >10%	5,511	7.25%	33,778,715	4.52%
TOTAL	**75,988**	**100.00%**	**746,498,039**	**100.00%**
Average (weighted)[8]	**6.27**	**%**		

LOAN TYPE				
TYPE	**Counting (#)**	**Percent (%#)**	**Balance (CRD €)**	**Percent (%€)**
Standard	38,068	50.10%	274,753,140	36.81%
Balloon	37,920	49.90%	471,744,899	63.19%
TOTAL	**75,988**	**100.00%**	**746,498,039**	**100.00%**

Capacity to produce funds

In light of the above, the Receivables backing the Notes have characteristics that (taken together with the structural features of the Securitisation and the arrangements entered into or to be entered into in accordance with the Transaction Documents) demonstrate capacity to produce funds to service any payments due and payable on the Notes in accordance with the Terms and Conditions.

Loan to value – Level of collateralization

The ratio between (i) the Outstanding Principal of the Receivables comprised int the Initial Portfolio as of the Initial Valuation Date, and (ii) the Principal Amount Oustanding of the Notes as of the Issue Date equals to 100%.

Last maturity date of the Consumer Loans

The last maturity date of the Consumer Loans falls on 15 December 2029.

SANTANDER CONSUMER BANK

Santander Consumer Bank S.p.A. (the **Seller**) is a bank organised as a joint stock company incorporated under the Italian law, registered in the Turin Companies' Register under Registration no. 05634190010 and with the register of banks (*Albo delle banche*) held by the Bank of Italy pursuant to article 13 of Italian legislative decree No. 385 of 1 September 1993 under Registration number 5496.

The Seller is the parent company of the Italian banking group named "Gruppo Bancario Santander Consumer Bank" registered with the register of banking groups (*Albo dei gruppi bancari*) held by the Bank of Italy pursuant to article 64 of the Consolidated Banking Act under number 3191.4.

The Seller's business is based exclusively in Italy. Its primary activities are related to the provision of the following products: consumer credits, personal loans, salary and pension assignment, payment delegations, car leases, credit cards, insurance, deposits accounts and wholesales products.

Historical background and general information

The Seller was established on 16 November 1988 as a financial intermediary (*intermediario finanziario*) and was registered in the special register held by the Bank of Italy pursuant to article 107 of the Consolidated Banking Act. The Seller's shareholders have varied significantly over the last decade. In particular, in 1993, Istituto Bancario S. Paolo di Torino (now known as Intesa San Paolo S.p.A. (**Intesa**)) purchased a 20% stake in the Seller. By late 1993, the shareholders of the Seller were:

Shareholders	***Percentage of shareholdings***
Banca di Credito del Piemonte S.p.A.	20%
Fincab S.p.A. (CAB Group)	20%
Insel (Banca Sella Group) S.r.l.	20%
Istituto Bancario S. Paolo di Torino S.p.A.	20%
Reale Mutua Assicurazioni S.p.A.	20%

In 1997, Istituto Bancario S. Paolo di Torino increased its shareholding to 50% while the other shareholders sold their shares to CC-Holding GmbH (**CC-Holding**), a German holding company indirectly owned by Santander Central Hispano (**SCH**). CC-Holding also controlled CC-Bank AG, a German bank managing SCH consumer finance business in Germany and in several other European countries. In March 2003, the Seller's two remaining shareholders (Sanpaolo IMI and SCH) announced that an agreement had been reached for the sale of the 50% stake in the bank owned by Intesa to the Santander Central Hispano Group (the **SCH Group**). The agreement involved the initial purchase of a 20% stake.

In May 2006, the Seller changed its name from Finconsumo Banca S.p.A. to Santander Consumer Bank S.p.A., completing the process of integration within the Banco Santander Group.

Santander Consumer Unifin, an intermediary specialized in Salary Assignment, was merged into Santander Consumer Bank S.p.A. in 2015.

In 2016, the Seller acquires 50% of the JV Banca PSA Italia.

In 2019, the Seller signed an agreement with TIM S.p.A. with the aim to form a joint venture that will offer consumer finance services to TIM's clients in Italy.

As at the date of this Prospectus, the Seller is wholly owned by Santander Consumer Finance, S.A. and Santander Consumer Finance, S.A. is in turn wholly owned by Banco Santander, S.A

The authorised and paid-up share capital of the Seller as at 31 December 2018 is € 573,000,000, divided into 573,000 ordinary shares having a face value of € 1,000 each. All issued share capital is fully paid up.

The registered office of the Seller is located in Corso Massimo D'Azeglio 33/E, 10126 Turin, Italy.

As at 31 December 2019, the Seller employed 653 people.

The Seller holds a banking licence from the Bank of Italy authorising it to carry on all permitted types of banking activities in Italy with particular focus on consumer credit services.

General

Giving continuity to the strategic directions of the previous years, the Seller's management has continued to improve the quality of the portfolio by strengthening the systems of risk management.

The strategic choices, aimed at the development of the business, have been implemented based on the evaluation of the profitability systems by channel / product: in a market still affected by a situation of economic stagnation, tools to control profitability and systems to anticipate the occurrence of risk situations have undergone a remarkable development.

The Seller has consolidated its organizational structure focusing both on indirect (Retail Distributors – *Convenzionati* –, centralized platform for at distance sell and brokers) and direct channel (21 branches all over Italy, all with a specific office fully dedicated to direct loans, and agent network).

"Captive agreements" are strategic for the Seller business: the two main guidelines are: strengthening the partnership with the carmakers and increase the share of retail penetration on sales through an intensive development of new financial products and continuous support to dealer networks.

The brokers are under the control of the nearest branch of the Seller with which they maintain a close working relationship; each broker must conduct its affairs in accordance with rules and regulations set out by the Seller.

Commonly, brokers main tasks include the development of commercial relationships with Retail Distributors (*Convenzionati*) and customers and the collection of documentation relating to finalise loan applications.

Any application, is left to the decision of the central approval structure.

The commercial network

The commercial network for the distribution of SCB products is composed of:

Branches: this channel provides personal loans and salary assignments to the customer on site, provides direct support for the dealers (*) (affiliated) and performs collection activities (deposits).

Dedicated Captive Network: specialized sales forces, dedicated to Captive agreements dealers. The Seller has in place agreements with some of the main car and motorcycle manufacturers. These counterparts enter into the partnership agreements to promote sales by offering, through the Seller, financial services (i.e. consumer credit, Leasing and Stock Financing) to their retail customers or dealers. In some cases, Santander Consumer Bank acts like a real "Captive" partner and develops tailored products/operations and campaigns in order to fit the needs of the Manufacturers.

Agents: through this channel, characterized by agents in single-mandate, which ensure continuity of cooperation and compliance with high standards in the process of product placement, are granted personal loans and salary assignment loans / delegation of payment. This channel provides also direct support for the dealers (affiliated). Salary assignment loans / delegation of payment are sold also through financial intermediaries authorized under art. 106 of the Consolidated Banking Act.

Special agreements: This category includes the production by third parties turned to SCB Group under the terms of agreements concluded at national level with the aforementioned companies. Credit requests are generated through third-party channels.

Internet: through the SCB website and some selected specialized sites, this channel provides personal loans and collection activities (deposits).

(*) Dealers (affiliated): this channel facilitates the purchase of goods by the customer. Only for special-purpose loans, car loans, and consumer car leasing.

Management

The management of the Seller is carried out by the Board of Directors.

The current composition of the Board of Directors is the following:

Position	***Name***
Chairman	Ettore Gotti Tedeschi
Director	Antonella Tornavacca
Director	Pedro De Elejabeitia Rodriguez
Independent Director	Adelheid Sailer-Schuster
Independent Director	Patrizia Rizzo
Director	Pedro Miguel Aguero Cagigas
Director	Rafael Moral Salarich
Managing Director/General Manager	Alberto Merchiori

The Board of Directors has been appointed for a three-years period (2018-2020). The Board of Directors is vested with powers for the Seller's ordinary and extraordinary management, and may perform all required actions for the implementation and achievement of corporate objects, excluding those actions reserved by law to the Seller's shareholders' meeting. Therefore, it carries out all the Gruppo Bancario Santander Consumer Bank's strategic policies, as well as the control and monitoring of the Seller's results. Furthermore, it is in charge of the definition, compliance and implementation of the corporate governance rules of the Seller.

The Board of Directors' meeting are called at least nine times a year. In carrying out its mandate, the Board of Directors addresses and takes decisions concerning vital aspects of the bank's business, always in accordance with the strategic policies and stances of the Gruppo Bancario Santander Consumer Bank. In particular, it:

- determines short-term and medium-term management policies and approves strategic projects as well as corporate policies (strategic plan, operating plans, projects);
- identifies the bank's willingness to accept various types of risk according to expected business returns;
- approves capital allocation methods and the macro-criteria to be adopted in applying investment strategies;
- approves the budget and supervises general management policies;
- prepares the periodic reports on operations and the annual accounts, with the related proposals for allocation of the net income for the subsequent shareholders' meeting;
- examines and approves transactions with a major impact on operations, capital, cash flow and risk;
- reports to shareholders' meetings;

- approves the organizational structure and related regulations and supervises suitability in terms of business;

- approves the system of powers of attorney; and

- approves the audit plan and examining the results of the most significant actions.

According to the Seller's by-laws the Board of Directors is empowered to delegate, as permitted by law, some of its powers to a Managing Director/General Manager. The Chairman of the Board and, if appointed, the Deputy Chairman of the Board and the Managing Director/General Manager act as the company's legal representatives. The current top-management level of the Seller is described below:

Position	***Name***
Managing Director	Alberto Merchiori
Responsible for IT and Processes	Andrea Prioreschi
Responsible for Planning and Administration	Miguel Silva
Responsible for Marketing	Simona Cipollina
Responsible for Sales Network	Andrea Antonio Mastellaro
Responsible for Risk	Antonella Tornavacca
Responsible for CBU	Ida Lo Pomo
Responsible for Legal and Compliance	Davide Spreafico
Responsible for Human Resources	Guido Piacenza
Responsible for Integrated Multichannel	Daniele Gulino
Responsible for Financial Management and Funding	Luis Ignacio Oleaga Gascue
Responsible for Internal Audit	Giovanni Anastasio

The above-mentioned top managers are members of the Management Committee. The General Management carries out the following activities:

- liaising with the bodies of the Santander Group and of Santander Consumer Finance, S.A. in drafting the strategic plan to be submitted to the approval of the competent bodies, as well as in relation to all major management issues or for studies and projects of high strategic value;

- monitoring of performance and issues regarding the various executive activities and supervision of global strategies application as resolved by the Board of Directors, verifying compliance of company operations with policies regarding investments and adoption of organisational resources and empowerment of personnel;

- identification and definition, according to the strategic guidelines defined by the Board of Directors, of repositioning of the organisational and governance model and of major projects to be submitted to the approval of the related administrative bodies and supervising application of these;

- formulation of preliminary analysis in order to define the risk management and performance targets of the various business activities;

- supervision of relationships and contacts with the markets and institutional investors; and

- promotion of actions able to reinforce corporate ethics as a mainstay of the internal and external conduct of the bank.

In particular, the Managing Director/General Manager, who participates at the meetings of the Corporate Bodies, is also responsible for taking the decisions regarding credit and, pursuant to the powers granted to him, represents the bank in legal actions and proceedings, liaises directly with the Statutory Auditors, the Independent Auditors and the Bank of Italy and orders routine inspections and administrative inquiries in accordance with the audit plan or as proposed by the competent authorities.

The appointment or revocation of the internal Committees, as well as their members, is determined by the Board of Directors. The Committee's Members operate jointly by co-operating and keeping themselves mutually informed on any important matter concerning their respective operating areas; the Managing Director/General Manager attends all the internal Committees.

Pursuant to Italian law, the Shareholders have to appoint a Board of Statutory Auditors (*Collegio Sindacale*) which consists of three standing Statutory Auditors and two substitute Statutory Auditors.

The current composition of the Statutory Auditors is the following:

Position	***Name***
Chairman	Walter Bruno
Standing Auditor	Maurizio Giorgi
Standing Auditor	Franco Riccomagno
Substitute Auditor	Marta Montalbano
Substitute Auditor	Luisa Girotto

According to the Seller's by-laws, the main tasks of the Board of Statutory Auditors include checking formal and substantial correctness of administrative activities; the Board is also entitled to liaise with the Supervisory Authorities and the Independent Auditors. The Board of Statutory Auditors performs its functions through direct audits and also by acquiring information from members of the Corporate Bodies and from representatives of the Independent Auditors.

In particular, the main activities of the Board of the Statutory Auditors include:

- supervising compliance with laws and the by-laws in accordance with the principles of correct administration;
- verifying the adequacy of the organisation model, with specific reference to efficiency and correct functioning of the internal control system;
- investigating major problems and issues highlighted during auditing and monitoring of the related corrective actions.

The Statutory Auditors are responsible for overseeing management and for the verification of compliance in accordance with applicable Italian law and the Seller's by-laws. They are also responsible for ensuring that the Seller's organisation, internal auditing and accounting systems are adequate and reliable. The Statutory Auditors has been appointed for a three-years period (2018-2020). They have to meet on a quarterly basis each year and are required by law to attend each Board of Directors' meeting. In accordance with applicable Italian regulations, the accounts of the Seller must be audited by external auditors appointed by the shareholders. The appointment has to be proposed by the Statutory Auditors. PricewaterhouseCoopers S.p.A. has been appointed for a nine-years period (2016-2024) to audit the financial statements of the Seller.

Business and market approach

Products currently offered by the Seller may be classified under the following main categories:

- consumer credits (*ad hoc* loans);
- personal loans;
- salary and pension assignment and payment delegations;
- car leases;

- credit cards;
- insurance;
- deposits accounts and wholesales products.

Consumer credits

Consumer credit represents loans granted to finance the purchase of goods and/or services. This category includes auto loans and purpose loans. Auto loans are granted to finance the purchase of cars and other kind of vehicles, being new or used, through the network of retail distributors. The financed amount is addressed directly to the retail distributor. Purpose loans are granted to finance the purchase of goods (other than vehicles) and/or services, subscribed through the retail distributors. Over the last decade, the Seller has gradually enlarged its product base in relation to these loans to be able to keep in line with its competitors' standards.

All loans have monthly instalments with payments due on the 1st or the 15th of each month. Middle-class families with medium to medium-low monthly incomes are the typical target of consumer credit services. The duration and average amount lent on loans of this nature depend on the products being financed.

Consumer credit loans may also be insured by the relevant debtor against the risk of death and temporary disability through primary insurance companies.

Personal loans

Personal loans are granted both for specified and general purposes.

As at 31 December 2019, personal loans represented approximately 11% of the Santander Consumer Bank's new business volume.

Regarding the personal loans product, the bank, with a substantially constant perimeter, due to effective commercial, risk and process strategies has achieved satisfactory results in terms of volumes and profitability of the new business.

From a commercial point of view, a series of initiatives have been undertaken aimed at recovering market share and strengthen customer relationships.

The bank strategy is focused on the customer: the distribution model adopted by the Santander Group is one of the most complete in the market and meets the current needs of customers, who may request a personal loan through various channels, ranging from classic direct to web channels.

Salary and pension assignment and payment delegation

Salary assignment (including, for the avoidance of doubts, also payment delegation products) is a specific consumer loan for which the monthly instalment is paid to the lender directly by the employer, that deducts an amount that cannot exceed one fifth from the customer's salary or pension. For payment delegations, in some cases the deduction cannot exceed a half of the salary or pension. The main feature of salary assignment products is a double mandatory insurance covering life risk and unemployment risk. In addition, the loan is also backed by the "*Trattamento di fine rapporto*", where applicable.

Since December 2015, Santander Consumer Bank offers salary assignment products directly.

In respect of the new business breakdown by customer type, the public sector accounts for 41%; pensioners accounts for 36%, para-public sector for 4% and private sector for 19%.

Car Leases

The Seller provides finance for car purchasing through its finance lease activity to both companies / self-employees and private customers. The average maturity ranges from a minimum of 24 months up to a maximum of 60 months for new cars and new commercial vehicles.

Lease loans may also be insured by the relevant debtor in favor of the Seller against the risk of death and temporary disability through primary insurance companies.

During the last years, the Seller has continued to strengthen all the process of the leasing product in order to obtain more efficiency with great attention to IT infrastructures with particular reference to tools and instruments for the calculation of vehicle's buyback amount.

Credit cards

The Santander Group has implemented a strategy based on the maintenance of the existing portfolio and has managed the product offer only through the branch network.

In 2019, the number of the cards in circulation has seen a reduction of 10% compared to the previous year. Also the portfolio, which consists essentially of revolving credit cards, has consequently decreased of around 8% vs the previous year.

Insurance

The Seller established an insurance department in September 2010 in order to focus on and promote its activities as an insurance intermediary.

As at 31 December 2019, the Seller's insurance intermediary activities account for approximately € 31.8 million in terms of net insurance commission.

Mainly offered products in 2018 were Creditor Protector Insurance (auto loans and personal loans), Motor Insurance (linked to auto loans), and Assistances (mainly linked to personal loans).

Deposits accounts and wholesales products

As at 31 December 2019, there were 16,226 active Sight Deposit with total deposits of approximately € 623 million.

Santander Consumer Bank's term deposits products, which offer various rates of return to customers who make deposits for a pre-determined and fixed period of time (12, 24, 36 months) stood at 8,751 accounts as at 31 December 2019 with total deposits of around € 555 million.

If compared to 2018 the number of customers has generally increased.

Current accounts are used to support the dealer network, as at 31 December 2019, the Seller had almost 375 active stock financing accounts and credit lines representing approximately € 893.1 million.

Integrated Multichannel Strategy

During the year, the Seller is focusing on enhancing the digital customer experience developing effective online platforms following the Digital Strategy:

- Defining a personalized, contextual and multichannel customer journey, through a Customer-centric approach where analytics play a fundamental role marking off the one-to-one interactions between Bank and customers
    - from responsive to "mobile first" design: the new platform will facilitate the customer access to Seller's products driven by their needs and google research logics. Contents and

interactions in general will be even clearer allowing an easy comprehension by the potential customer. Easy onboarding process, clear layout and copy contents will change the Seller's digital experience;

- more value for existing customers that will have a new reserved area containing instant supportive functionalities and easy call to actions in order to boost cross selling and upselling activities;

- Intercepting users who browse in the digital world drawing new potential customers towards the digital interfaces
- considering that, in this scenario, it is failing a clear distinction between digital and physical experiences with new dynamics of a journey which often uses both
- Developing partnership models with important digital realities to increase ever more the Bank visibility

Guarantees and securities

Contracts in respect of personal loans and purpose loans are mostly executed by the customer with one or more relatives (spouse and/or parents) or third parties acting as co-obligors. Sometimes the customer is required to sign a number of bills of exchange in favour of the Seller for a maximum agreed amount. Bills of exchange constitute title (*titolo esecutivo*) to commence proceedings directly against the client, without having to obtain a previous court order. Purpose loans financing the purchase of cars or other vehicles might be secured by mortgages (*ipoteca su beni mobili registrati* - mortgage over registered movable property) which can benefit from a mandate to register such mortgages in the public registers executed by the customer in favour of the Seller.

Financial Information

The following table shows a summary of various aspects of the business of the Seller:

Outstanding (€/000)	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
Auto Loans	2,041,242	1,859,893	1,962,276	2,090,053	2,323,278	2,712,028	3,038,866
Purpose Loans	95,229	50,646	28,256	29,301	217,697	299,491	367,378
Personal Loans	1,853,254	1,465,186	1,133,180	901,585	722,247	551,048	498,572
Cards	50,052	32,284	19,346	12,247	7,706	5,931	4,998,
Stock	80,821	79,707	130,619	198,465	324,589	457,320	358,150
Salary Assignment	1,590,618	1,673,910	1,677,930	1,668,888	1,623,823	1,510,356	1,357,561
TOTAL	**5,711,218**	**5,161,625**	**4,951,607**	**4,900,539**	**5,219,340**	**5,536,174**	**5,631,678**

The following financial information has been extracted from the Seller's 2013, 2014, 2015, 2016, 2017, 2018 and 2019 unaudited unconsolidated annual internal management reports, with proper allocation of results coming from the securitised portfolios.

New Loans breakdown by business area

New Business (€/000)	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**	**2019**
Auto Loans	611,121	756,264	929,225	993,911	1,100,813	1,268,521	1,376,676
Purpose Loans	14,406	12,254	7,804	18,201	241,660	218,168	270,171
Personal Loans	230,328	136,391	150,492	159,874	163,003	177,561	190,188
Cards	23,978	14,865	7,462	6,667	6,132	5,635	4,991
Salary Assignment	331,942	382,359	423,697	334,645	298,368	246,948	223,131
TOTAL	**1,211,775**	**1,302,133**	**1,518,681**	**1,513,298**	**1,809,976**	**1,916,833**	**2,071,368**

THE CREDIT AND COLLECTION POLICIES

Content

The admission phase brings together the activities that lead to risk authorization for customers. It includes as an essential element the identification and assessment of the customer and of the risk whose authorization is proposed, through the use of evaluation models and the application of consolidated strategies. The acceptance of risk also follows appropriate channels according to the type of customer.

The process of analysis of the client's request consists of the following phases:

1. Data Entry
2. Documentation check
3. Decision Phase t Formalization phase.

Each stage of the process is linked to a given dossier status. It is possible to display the characteristics together with the attributes of the same practice in the annex PRO SRSD000010-2 "States and attributes practice blocks"

In the following paragraphs the standards that regulate the above mentioned phases will be explained.

Data Entry

Data Entry is the first step in the operational process of a loan practice and the importance of this phase can be summarized as follows:

- Perform a correct evaluation of the creditworthiness of the customer.
- Allow correct identification / knowledge of the customer with an AML risk perspective.
- Facilitate the potential phase of collection, through the validation of address, telephone number and e-mail addresses

The distribution channels for the sales of the Seller products are those listed below and they identify the actors involved in the loading phase:

- **Branches:** the products are delivered to the customer directly on site, and the data entry phase takes place in fast loading mode.
- **Dealers**: the products are sold directly by our dealers, who carry out the data entry phase through a dedicated web portal
- **Agents**: the products are sold by single-mandated agents, which ensure continuity of collaboration and compliance with high standards when placing products, the data entry phase takes place in fast loading mode.
- **Special Agreements**: the products are sold by third parties (e.g. third banks) and the production is turned over to the Seller according to the terms of the agreements signed, the Data Entry phase usually takes place on the operational applications of the third parties and only at a later date transferred to the Bank.
- **Internet**: some of the Bank's products are sold through the Bank's website and selected websites.

Here below a synthetic reproduction of the different loading channels:

Loading actor	Product type	Data Entry method

	PERSONAL LOANS/DIRECT	CARDS	DURABLES	AUTO LOANS	LEASING	
Underwriting Department	X	X	X	X	X	CV
Outsourced services	X	X	X	X	X	CV
Dealer			X	X	X	MC
Agent	X		X	X	X	CV
Branch	X	X				CV
Websites	X					MC (DATA ENTRY done by the customer)

Please note that:

- CV means fast loading: this is a data entry system that is internally adopted by the Underwriting Department, Agents or through outsourced agreements. The information is uploaded directly over the AS400 platform; and
- MC means telematic upload: this is a data entry system that is carried out directly on web portals.

In this phase, the following information must be inserted in the system / portal:

- socio-demographic characteristics financial plan information (amount, asset subject to financing, etc.).

During the data entry phase, system performs anti-money laundering and anti-fraud checks. Once these checks are over,. the system proceeds to query the Credit Bureaus.

Documentation check Once the data collection is complete, the loans are assigned to the actors in charge of the preliminary evaluation.

The preliminary evaluation is the second phase of the operational process of the underwriting process, and at this stage the Bank aims to determine the accuracy, validity, and completeness of the data provided by the potential customer when the loan application was submitted.

An adequate control of the documentation provided by the customer allows the Bank to:

- Make a proper assessment of the credit quality of the customer.
- Create a valid and certified database, which will help in the near future to:
  - Perform portfolio analysis based on data that reflects the reality of the market.
  - Identify or confirm the discriminating variables in the acceptance phase.
  - Develop new scoring models that reflect market trends.

Here below a synthetic table of the bodies involved in the evaluation:

Underwriting department	CV	Underwriting department
Outsourced services	CV	Underwriting department In case of Personal Loan product → Remote channel
Web Dealer	MC	Underwriting department
Agent	CV	Underwriting Department
Branch	CV	Personal Loan Branch
Web PP	MC	Remote channel

Decision Phase This phase of the underwriting process and is assigned by the competent corporate bodies, to different structures according to grids showing the authorization levels.

Concretely, the result of the evaluation phase consists in the attribution of a definitive state to the loan application, distinguishable in an APPROVAL or in a REJECTION.

The decision- engine, on the basis of the data provided during the data entry, then proceeds to assign to the loan application a result of:

- Automatic Rejection (RA);
- Automatic approval (AA);
- Manual Review (RM).

The decision engine therefore has the task of distinguishing between good customers and bad customers (i.e. with risk insolvency) in order to reduce the level of credit risk of the Bank. The technique used to manage this issue is the "Credit Scoring".

Credit Scoring, through the use of decision models (rating) and policy rules, allows summarizing the credit quality of the counterparty, reflecting the probability of default within a one year horizon.

For each loans where the decision engine assign the manual review only an authorized operator can approve o reject the loan.

Each operator has different approval limits based on his skill and role. The approval limits are managed by the system and decided by the Credit department; they are different for each product and are based on:
1) Final score of the contract;
2) Policy override: maximum level of credit policy rules that can be overridden by the analyst in the approval process;
3) Amount of the loan that is requested;
4) Total exposure of the costumer with SCB

Formalization Phase

The Formalization Phase is the last operational phase of the underwriting process.

Depending on the product being financed, the beneficiary can be:

- The client
- The dealer
- The supplier

Methods Of Control

Responsibility, compliance and control of this procedure is in charge of the Risk Department.

The management of debt recovery

The contracts of Santander Consumer Bank provide for payment of instalments between the 1st and 15th of each month. The detection of an expired due date and the institution of the recovery process occurs at the end of the 1st day of delay from the oldest outstanding debt (in the event of direct debit) and every day, or at the end of the 5th day of delay from the oldest outstanding (for postal payment slips).

The Collection Business Unit, which manages the consumer recovery portfolio, is divided into three structures:

- Massive Collection and Field Commercial Network, dealing with the recovery of Outstanding Loans with 1-210 DPD
- Late Collection which deals with the management of recovery after 210DPD and after Expiry of the Time Limit

Expiry of the Time Limit is considered to be a communication that Santander Consumer Bank sends to the debtor by registered mail by which it declares the contract to have been terminated due to default and the debtor has forfeited the benefit of the term and therefore payment of the entire loan is required, due and to become due, net of related future interest, this occurs when the debt has 360DPD, for all the products, while for the D2D product it occurs when the debt has 180DPD.

Massive collection and Field Commercial Network

The first two structures manage the portfolio according to risk and during the membership phase. The criteria for the subdivision of items are as follows:

- 1 to 30 days late: all processes are managed by Massive Collection;
- 31-150 days late: the risk is < € 7,000.00 management is the responsibility of the Massive Collection service; if the risk is> € 7,000.00 it is managed by the Field Commercial Network;
- 151 to 210 days late: all processes are managed by Massive Collection.

From the day of initiation of recovery, on the 30th day of delay, cases are processed as follows:

- sending of SMS on all items;
- Postel for cases with BP/direct-debit payment;
- direct-debit reissues for cases with this method of payment;
- accounting adjustments;

- for management relating to Massive Collection: Phone Collection launch activities through external recovery agencies, telephone contact is via specialist professionals who seek the client at all the addresses available on file. External agencies are constantly coordinated and monitored by personnel of Santander Consumer Bank;

- for the Field Commercial Network Department, Home activities are by Santander Consumer Bank staff and also through Home Collection activities by specialist operators who visit the client at all the addresses available on file. External agencies are constantly coordinated and monitored by internal Santander Consumer Bank's staff;

Later, in support of recovery, there may be sent (including at the discretion of the telephone operator) further SMS messages or telegrams. In addition, depending on the stage of management, mass actions are generated for sending reminder correspondence.

In the last phase of management, a written reminder is issued by a law firm.

The letters and telephone reminders continue until expiry of the 12th instalment (or a delay equal to approximately 360 days for completely expired contracts) upon which the debtor and any co-debtors are formally placed in forfeiture of the benefit of the terms (if the instalment payment plan has not yet expired) or notice given (when the last instalment of the original instalment payment plan has been reached) receiving the contract termination.

Late collection - individuals

Late Collection is divided into two structures, out-of-court settlement and court litigation.

Post expiry of the time limit

The contracts on which expiry of the benefit of the term or formal notice is sent (made around the 2nd of the month), are handled by the Post expiry of the time limit office for out-of-court recovery.

The contracts are divided by amount and geographical area and sent for telephone or home visit management entirely by external recovery agents.

During management, recovery of the loan also occurs through billed repayment plans, or through liquidation of assets.

Judicial litigation

The Judicial Litigation Office acquires the items for which a characteristic situation is detected such as request of specific management, for example:

1) the loan holder of the financing, sole signatory, has died;

2) the loan holder is bankrupt or subject to other insolvency proceedings;

3) the loan holder is held in custody;

4) the loan holder has moved out of the country;

5) false income document;

6) identity theft, the borrower does not exist;

7) the vehicle which is the subject of financing is not registered at the PRA in the name of the loan holder or other signatories (this situation constitutes an irregularity of the Partner and legitimises request for payment both from the client and, alternatively, the Partner);

8) financed goods not delivered or totally non-functional or non-conforming (this case involves release of the loan holder and obligation of the Partner to cancel the item);

9) service funded not provided (as above);

10) revocation or termination validly exercised by the loan holder.

Debt recovery differs depending on the case in question and may be settled out of court, by telephone collection activities and written reminders or, where appropriate, be dealt with by the courts.

Notwithstanding the different management required depending on the particular facts of each case, may also be made by:

- requiring a repayment plan with or without bills
- repayment plans with a deferred payment.

Products for the management of a client in litigation

The products used for the management of a client in litigation, i.e. clients who have at least one instalment outstanding are defined as follows:

Deferral: the possibility of deferring to the end of the original instalment payment plan, this product may be used on the original contract (self, finalized and personal loan) and on the restructured/refinanced product using the rules outlined in this manual.

Restructuring: this action allows to modify the original instalment plan. It is done both in cases of less or more than 90 days pass due;

Refinancing: allows to open a new loan with the contextual prepayment of the original one, modifying the instalment plan. It is done both in cases of less or more than 90 days pass due.

The restructured and refinanced contract must retain the same counterparties as the contract to be renegotiated, except in special cases of premature death or proven unavailability of the guarantor, who must be replaced with a secondary figure with equal profile and the same guarantees (e.g. bills, surety).

A bill of guarantee should also be requested if the analyst deems necessary.

Exclusions

The products of restructuring, refinancing and queuing will be offered to clients only after careful evaluation of the client and in particular, it is forbidden to:

1. restructure or refinance financing external to Santander Consumer Bank and for amounts in excess of the exposure currently in place with Santander Consumer Bank;
2. lose safeguards previously acquired;
3. restructure or refinance leasing, credit cards (if only such a product is present) and assignment of one fifth of salary;
4. restructure or refinance subjects who, at the end of the repayment plan, will be older than 80 years for men and 83 years for women;
5. restructure or refinance with an instalment repayment plan (duration) of more than 120 months;
6. restructure or refinance with the amount awarded being less than € 1,000;
7. restructure or refinance with an instalment amount of less than € 30;

8. restructure or refinance a previous loan with residual instalments of less than 3 (except in the case of balloon payments);

9. contact the client through marketing activities;

10. Refinance the client with a new provision (new loan, auto, finalized, or personal loan) until the outstanding refinancing has completely finished.

Limits

The queuing, restructuring and refinancing products shall not exceed the sum of 3 products in any of their forms, in a period of five years per client.

Also, note that the minimum amount of the instalment must cover at least the ordinary interests of the new operation.

With regard to this rule, the following is specified:

Restructuring product

The refinanced product can be used only if 12 instalments have been paid. This tool cannot be used at most once in twelve months and thrice in five years in the history of the product (max thrice in 5 years).

Refinancing product

The refinanced product can be used only if 12 instalments have been paid. This tool cannot be used at most once in twelve months and thrice in five years in the history of the product (max thrice in 5 years).

Queuing product

Instalments in arrears at the end of the repayment plan cannot be greater than 2 instalments at the time of application of the product, 4 instalments over the 2 years and 6 instalments in the life of the product.

The client must demonstrate the ability to repay at least one instalment and, following queuing of two instalments, his position should be regularized.

Example:

Contract with 5 instalments, two instalments are queued, the remaining instalments must be paid by the client.

Criteria for determining the price of claims in litigation

Santander Consumer Bank seeks to actively manage all items in dispute. This process requires the involvement of internal and external counterparties who from time to time ensure more effective management of these items in the best interests of the bank.

The mechanism of definition of fair value/price of a non-performing credit is usually defined by the remaining credit ("Exposure at Default" - EAD), which is reduced according to the actual cash flow expected.

In particular, the mechanism for determining the price is the expectations of recovery ("Recovery Rate" - RR), including also the cost of recovery ("Recovery Cost" - RC).

Of course such cash flow is updated at the internal rate of return defined (i), considering the period taken for cash flow (n).

This can be expressed by the following formula:

(EAD * RR)-RC* RR)/(1+ i) ^ n

Late collection - legal entities

Late Collection is divided into two structures, out-of-court settlement and court litigation.

Post-expiry of the time limit

The contracts on which expiry of the benefit of the term or formal notice is sent (made around the 2nd of the month), are handled by the Post expiry of the time limit office for out-of-court recovery.

The contracts are divided by amount and geographical area and sent for telephone or home visit management entirely by external recovery agents.

During management, recovery of the loan also occurs through billed repayment plans, or through liquidation of assets.

Judicial litigation

The Judicial Litigation Office acquires the items for which a characteristic situation is detected such as request of specific management, for example:

1) the loan holder of the financing, sole signatory, has died;

2) the loan holder is bankrupt or subject to other insolvency proceedings;

3) the loan holder is held in custody;

4) the loan holder has moved out of the country;

5) false income document;

6) identity theft, the borrower does not exist;

7) the vehicle which is the subject of financing is not registered at the PRA in the name of the loan holder or other signatories (this situation constitutes an irregularity of the Partner and legitimises request for payment both from the client and, alternatively, the Partner);

8) financed goods not delivered or totally non-functional or non-conforming (this case involves release of the loan holder and obligation of the Partner to cancel the item);

9) service funded not provided (as above);

10) revocation or termination validly exercised by the loan holder.

Debt recovery differs depending on the case in question and may be settled out of court, by telephone collection activities and written reminders or, where appropriate, be dealt with by the courts.

Notwithstanding the different management required depending on the particular facts of each case, may also be made by:

- requiring a repayment plan with or without bills

- repayment plans with a deferred payment.

Products for the management of a client in litigation

The products used for the management of a "legal entity" client in litigation, i.e. clients who have at least one instalment outstanding, are defined as follows:

Queuing: This product, applied to the original contract, allows deferral of instalments at the end of the repayment plan, without these being changed in terms of amount.

Restructuring: done both in cases of less or more than 90 days pass due, by the redefinition of a new repayment plan on the original contract, which has as the financed value the remaining capital of the original loan, to which are applied various characteristics of duration or both of duration and rate.

Refinancing: done both in cases of less or more than 90 days pass due, by redefining a new repayment plan on the original contract, which has as the financed value the remaining capital of the original loan, to which are applied various characteristics of duration or of both duration and rate.

It is specified that, through these actions, it is not possible to remove/replace the secondary parties put in place at contract signing, as it is not possible to provide secondary guarantees other than the initial.

Exclusions

The products of restructuring, refinancing and queuing will be offered to clients only after careful evaluation of the client and in particular it is forbidden to:

1. lose safeguards previously acquired;
2. restructure or refinance legal entities who present protests and/or adverse public data (court and registry of encumbrances);
3. restructure or refinance legal entities no longer in business activities;
4. restructure or refinance leasing, credit cards and assignment of one fifth of earnings.
5. restructure or refinance subjects, co-debtors/guarantors who, at the end of the repayment plan, are aged over 80 years for men and 83 years for women;
6. restructure or refinance with a repayment plan (duration) of more than 120 months;
7. restructure or refinance with residual capital of less than €1,000;
8. restructure or refinance with an instalment amount of less than €30;
9. restructure or refinance a loan with residual instalments of less than 3 (except in the event of balloon payments);
10. contact the client through marketing activities; and
11. refinance the client with a new provision (new loan, auto, durables, or personal loan) until the existing refinancing has completely finished.

Collection of credit

On conclusion of the financing contract, the client can choose the method of reimbursement between Postal Payment Slip (Italian abbreviation BP) or SEPA Direct Debit (Italian abbreviation SDD). Moreover, at any time throughout the term of the loan, the client has recognized the right to vary the manner of its reimbursement.

SDD (SEPA direct debit) procedure

Given the strong interest in increasing as much as possible the percentage of contracts in which the mode of repayment is direct debit, Santander Consumer Bank has progressively implemented internal procedures with the aim of reaching the highest levels of efficiency.

The current procedure involves the use of SEPA (the European Interbank Network) to support the different phases of the management of collection. In detail:

- the client signs the authorization to debit his bank account by direct debit, by placing his signature in a special box on the title page of the financing agreement;
- on loading onto the system, a message is prepared according to the technical standards required by current procedures, containing the personal details of the client and the particulars of his bank account; this message, through the European Interbank Network, is sent to the client's bank which, subject to verification of correctness/content match of the message, will activate the procedure.

Once evidence of activation of the direct debit procedure has been obtained, in a manner consistent with applicable inter-banking law, Santander Consumer Bank, through the European Interbank Network, presents the request for payment of each instalment to the client's bank with an advance generally between 5 and 8 days with respect to the due date, receiving the credit on the due date itself (or within the working day immediately following is the latter, if not a bank working day); within 15 days (on average 4 working days) after the expiration notice, Santander Consumer Bank receives through the European Interbank Network any message by which the outstanding client's bank announces its inability to charge the client's bank account. Such a message will contain a code for the reasons why the bank has not been able to finalize the payment.

Following the entry into force of the new European PSD legislation, the client has the right to have his own bank make the unresolved message available up to 6 weeks from its presentation.

Postal payment slip

If the client has opted for reimbursement by postal payment slip, after conclusion of a loan agreement, within 10 working days, Postel receives a request for printing and shipment to the client's home of a booklet of postal payment slips to be used in payment of all instalments due.

Each slip contains, in particular, the pre-printed indication of the number of the financing contract, the due date and the amount of the instalment to which it relates as well as the "*giro*" account number with Santander Consumer Bank to which the amounts to be paid are to be credited.

The client can make payment at any Post Office. Poste Italiane S.p.A. now enables very rapid receipt (average two/three days from the date of execution) of daily information about payments made by clients as well as obtaining availability of funds in their postal account just as quickly.

The electronic flow of information is processed by Santander Consumer Bank immediately it is received, and in fully automated mode. After this processing, the accounts of individual clients are updated, with the exception of some items (relating to payments not made using pre-printed slips, on average, a percentage equal to 5% of the cash received) which require manual processing by operators.

THE ISSUER

Introduction

Golden Bar (Securitisation) S.r.l. (the **Issuer**) is a limited liability company (*società a responsabilità limitata*) incorporated in the Republic of Italy under article 3 of the Securitisation Law on 12 September 2000. In accordance with the Issuer's by-laws, the corporate duration of the Issuer is limited to 31 December 2050 and may be extended by shareholders' resolution. The Issuer is registered with the companies' register of Turin under no. 13232920150 and with the register of the special purpose vehicles held by the Bank of Italy (*albo delle società veicolo tenuto dalla Banca d'Italia ai sensi del Provvedimento del Governatore della Banca d'Italia del 7 giugno 2017*) under no. 32474.9 and its tax identification number (*codice fiscale*) is 13232920150.

The legal and commercial name of the Issuer is Golden Bar (Securitisation) S.r.l.

The registered office of the Issuer is at via Principe Amedeo, 11, 10123 Turin, Italy. The Issuer has no principal office different from the registered office. The telephone number of its registered office is +39 011 812 6939. The Issuer has no employees. The Issuer is a special purpose vehicle established for the purposes of issuing asset-backed securities and, accordingly, it may carry out other securitisation transactions in addition to the one contemplated in this Prospectus, subject to certain conditions.

Any information on the Issuer can be obtained at the following webpage: https://www.santanderconsumer.it/footer/investor-relations/cartolarizzazioni.

Information available at any of the following websites:

(i) www.santander.com; or

(ii) www.santanderconsumer.com; or

(iii) www.santanderconsumer.it; or

(iv) www.eurodw.eu,

does not form part of this Prospectus, unless it is clearly stated that any such information is incorporated by reference.

Previous securitisation transactions

In accordance with the Securitisation Law, the Issuer has already engaged in:

(a) a first securitisation transaction carried out in accordance with the Securitisation Law, completed on 22 December 2000 and involving (i) the acquisition of monetary receivables and other connected rights arising from a portfolio of consumer loans acquired on a revolving basis from Santander Consumer Bank (formerly Finconsumo Banca S.p.A.) and (ii) the issue of asset-backed notes in an aggregate amount of € 361,540,000;

(b) a second securitisation transaction carried out in accordance with the Securitisation Law completed on 28 June 2001 and involving (i) the acquisition of monetary receivables and other connected rights arising from a portfolio of consumer loans acquired on a revolving basis from Santander Consumer Bank (formerly Finconsumo Banca S.p.A.) and (ii) the issue of asset-backed notes in an aggregate amount of € 258,300,000;

(c) a securitisation transaction named "€ 2,500,000,000 Euro Medium Term Asset-Backed Notes Programme" structured in the form of a programme and established by the Issuer in accordance with the Securitisation Law in March 2004. In the context of such programme, the Issuer has issued the following notes:

(I) on 17 March 2004, € 188,000,000 Series 1 2004 -Class A Limited Recourse Asset-Backed Notes due 2020, € 8,000,000 Series 1 2004 -Class B Limited Recourse Asset-Backed Notes due 2020, € 3,000,000 Series 1-2004 -Class C Limited Recourse Asset-Backed Notes due 2020 and € 1,000,000 Series 1-2004 -Class D Limited Recourse Asset-Backed Notes due 2020, for an aggregate amount of € 200,000,000;

(II) on 9 December 2004, € 470,000,000 Series 2 2004 -Class A Limited Recourse Asset-Backed Notes due 2021, € 20,000,000 Series 2 2004 -Class B Limited Recourse Asset-Backed Notes due 2021, € 7,500,000 Series 2 2004 -Class C Limited Recourse Asset-Backed Notes due 2021 and € 2,500,000 Series 2 2004 -Class D Limited Recourse Asset-Backed Notes due 2021, for an aggregate amount of € 500,000,000;

(III) on 8 February 2006, € 658,000,000 Series 3 2006 -Class A Limited Recourse Asset-Backed Notes due 2022, € 28,000,000 Series 3 2006 -Class B Limited Recourse Asset-Backed Notes due 2022, € 10,500,000 Series 3 2006 -Class C Limited Recourse Asset-Backed Notes due 2022, € 3,500,000 Series 3 2006 -Class D Limited Recourse Asset-Backed Notes due 2022, for an aggregate amount of € 700,000,000; and

(IV) on 31 January 2007, € 658,000,000 Series 4 2007 -Class A Limited Recourse Asset-Backed Notes due 2023, € 28,000,000 Series 4 2007 -Class B Limited Recourse Asset-Backed Notes due 2023, € 10,500,000 Series 4 2007 -Class C Limited Recourse Asset-Backed Notes due 2023 and € 3,500,000 Series 4 2007 -Class D Limited Recourse Asset-Backed Notes due 2023, for an aggregate amount of € 700,000,000.

(d) a securitisation transaction named "€ 2,500,000,000 Euro Medium Term Asset-Backed Notes Programme" structured in the form of a programme and established by the Issuer in accordance with the Securitisation Law in March 2008. In the context of such programme, the Issuer has issued asset-backed notes in an aggregate amount of € 700,000,000;

(e) a securitisation transaction named "€ 2,500,000,000 Euro Medium Term Asset-Backed Notes Programme" structured in the form of a programme and established by the Issuer in accordance with the Securitisation Law in December 2008. In the context of such programme, the Issuer has issued asset-backed notes in an aggregate amount of € 750,000,000;

(f) a securitisation transaction named "€ 2,500,000,000 Euro Medium Term Asset-Backed Notes Programme" structured in the form of a programme and established by the Issuer in accordance with the Securitisation Law in December 2009. In the context of such programme, the Issuer has issued asset-backed notes in an aggregate amount of € 800,000,000;

(g) a securitisation transaction carried out in accordance with the Securitisation Law completed on 31 March 2011 and involving (i) the acquisition of monetary receivables and other connected rights arising from a portfolio of auto loans acquired on a revolving basis from Santander Consumer Bank and (ii) the issue of asset-backed notes in an aggregate amount of € 600,000,000;

(h) a securitisation transaction carried out in accordance with the Securitisation Law completed on 12 October 2011 and involving (i) the acquisition of monetary receivables and other connected rights arising from a portfolio of consumer loans acquired on a revolving basis from Santander Consumer Bank and (ii) the issue of asset-backed notes in an aggregate amount of € 900,000,000;

(i) a securitisation transaction carried out in accordance with the Securitisation Law completed on 21 November 2011 and involving (i) the acquisition of monetary receivables and other connected rights arising from a portfolio of auto loans acquired on a revolving basis from Santander Consumer Bank and (ii) the issue of asset-backed notes in an aggregate amount of € 710,058,000;

(j) a securitisation transaction carried out in accordance with the Securitisation Law completed in 23 July 2012 and involving (i) the acquisition of monetary receivables and other connected rights arising from a portfolio of performing loans consisting of purpose loans and personal loans granted

by Santander Consumer Bank and the issue of asset-backed notes in an aggregate amount of €735,100,000;

(k) a securitisation transaction carried out in accordance with the Securitisation Law completed on 31 October 2012 and involving (i) the acquisition of monetary receivables and other connected rights arising from a portfolio of performing loans consisting of salary assignment loans granted by Santander Consumer Bank and originated through the activity of Unifin S.p.A. and (ii) the issue of asset-backed notes in an aggregate amount of €1,209,317,000. Under such transaction, the Issuer have also completed on 25 June 2014 (iii) the acquisition of an additional portfolio of performing loans consisting of salary assignment loans granted by Santander Consumer Bank and originated through the activity of Unifin S.p.A. and (iv) the issue of a second series of asset-backed notes in an aggregate amount of € 266,850,000;

(l) securitisation transaction carried out in accordance with the Securitisation Law completed on 18 November 2013 (the **Previous Securitisation 2013-1**) and involving (i) the acquisition of monetary receivables and other connected rights arising from a portfolio of performing loans consisting of auto loans, purpose loans and personal loans granted by Santander Consumer Bank and (ii) the issue of asset-backed variable funding notes in an aggregate amount of €1,000,000,000;

(m) a securitisation transaction carried out in accordance with the Securitisation Law completed on 20 November 2013 and involving (i) the acquisition of monetary receivables and other connected rights arising from a portfolio of performing loans consisting of salary assignment loans granted by Santander Consumer Bank and originated through the activity of Unifin S.p.A. and (ii) the issue of asset-backed notes in an aggregate amount of € 254,820,000;

(n) a securitisation transaction carried out in accordance with the Securitisation Law completed on June 2014 and involving (i) the acquisition of monetary receivables and other connected rights arising from a portfolio of performing consumer loans directed to purchase automobiles acquired from Santander Consumer Bank and (ii) the issue of asset-backed notes in an aggregate amount of €752,000,000.

All the notes set out above have been fully reimbursed by the Issuer and the relevant securitisation transactions have been unwound.

Previous Securitisation 2015-1

The Issuer has also already engaged in a transaction completed in October 2015 and involving (i) the acquisition of monetary receivables and other connected rights arising from a portfolio of performing consumer loans acquired from Santander Consumer Bank and (ii) the issue of the following asset-backed notes in an aggregate amount of € 700,000,000: € 577,500,000 Class A-2015-1 Asset-Backed Variable Funding Fixed Rate Notes due October 2031, € 45,500,000 Class B-2015-1 Asset-Backed Variable Funding Fixed Rate Notes due October 2031 and € 77,000,000 Class C-2015-1 Asset Backed Variable Funding Notes due October 2031. In December 2016 the Issuer completed the acquisition of an additional portfolio increasing the size on 20 January 2017 of the asset backed notes up to an amount of € 1,000,000,000: € 825,000,000 Class A-2015-1 Asset-Backed Variable Funding Fixed Rate Notes due October 2031, € 65,000,000 Class B-2015-1 Asset-Backed Variable Funding Fixed Rate Notes due October 2031 and € 110,000,000 Class C-2015-1 Asset Backed Variable Funding Notes due October 2031 (the **Previous Securitisation 2015-1**). In connection with the issuance of the Previous Securitisation 2015-1, a subordinated loan was extended to the Issuer for an aggregate amount of € 17,530,000 under a subordinated loan agreement entered into between the Issuer and Santander Consumer Bank as subordinated loan provider on 9 October 2015. Contextually with the upsize, on 20th January 2017 the subordinated loan has been drawn for € 7,500,000 in order to achieve a cash reserve of € 25,000,000. The subordinated loan above has been fully reimbursed by the Issuer.

Previous Securitisation 2016-1

The Issuer has also already engaged in a transaction completed in 2 August 2016 and involving (i) the acquisition of monetary receivables and other connected rights arising from a portfolio of performing salary assignment loans and delegation of payment loans acquired from Santander Consumer Bank and (ii) the issue of the following asset-backed notes in an aggregate amount of € 1,300,000,000: € 1,066,000,000 Class A-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040, € 32,500,000 Class B-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040, € 45,500,000 Class C-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040, € 65,000,000 Class D-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040, € 90,870,000 Class E-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040, € 130,000 Class F-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040 (the **Previous Securitisation 2016-1**). In connection with the issuance of the Previous Securitisation 2016-1, a subordinated loan was extended to the Issuer for an aggregate amount of € 49,530,000 under a subordinated loan agreement entered into between the Issuer and Santander Consumer Bank as subordinated loan provider on 2 August 2016. The subordinated loan above as of end of December 2019 has no amount outstanding.

Previous Securitisation 2018-1

The Issuer has also already engaged in a transaction completed in 27 April 2018 and involving (i) the acquisition of monetary receivables and other connected rights arising from a portfolio of receivables and other connected rights arising from a portfolio of performing consumer loans acquired from Santander Consumer Bank and (ii) the issue of the following asset-backed notes in an aggregate amount of € 395,700,000 Class A-2018-1 Asset-Backed Floating Rate Notes due March 2037 and € 82,750,000 Class B-2018-1 Asset-Backed Fixed Rate and Variable Return Notes due March 2037 (the **Previous Securitisation 2018-1**). In connection with the issuance of the Previous Securitisation 2018-1, a subordinated loan was extended to the Issuer for an aggregate amount of € 3,987,000 under a subordinated loan agreement entered into between the Issuer and Santander Consumer Bank as subordinated loan provider on 24 April 2018. The subordinated loan above as of end of December 2019 has no amount outstanding.

Previous Securitisation 2019-1

The Issuer has also already engaged in a transaction completed in 25 June 2019 and involving (i) the acquisition of monetary receivables and other connected rights arising from a portfolio of performing auto loans acquired from Santander Consumer Bank and (ii) the issue of the following asset-backed notes in an aggregate amount of € 525,400,000 Class A-2019-1 Asset-Backed Floating Rate Notes due July 2039, € 18,000,000 Class B-2019-1 Asset-Backed Floating Rate Notes due July 2039, € 45,100,000 Class C-2019-1 Asset-Backed Fixed Rate Notes due July 2039, € 12,000,000 Class D-2019-1 Asset-Backed Fixed and Variable Return Notes due July 2039 (the **Previous Securitisation 2019-1**).

Pursuant to the Securitisation Law, the assets relating to each securitisation transaction will constitute assets segregated for all purposes from assets of the Issuer and from the assets relating to other securitisation transactions. The assets relating to a particular securitisation transaction will not be available to the holders of notes issued to finance any other securitisation transaction or to the general creditors of the Issuer.

Quotaholders

The authorised equity capital of the Issuer is € 10,000. The issued and paid-up equity capital of the Issuer is € 10,000. No other amount of equity capital has been agreed to be issued. The quotaholders of the Issuer (the **Quotaholders**) and their equity interests are as follows:

Quotaholders	**Quota holding in the Issuer expressed in €**
Stichting Po River	7,000

Stichting Turin	3,000

To the best of its knowledge, the Issuer is not aware of direct or indirect ownership or control apart from its Quotaholders. Italian company law combined with the holding structure of the Issuer and the covenants made by the Issuer and its Quotaholders in the Transaction Documents are together intended to prevent any abuse of control of the Issuer.

Accounting treatment of the Receivables

Pursuant to Bank of Italy regulations, the accounting information relating to the securitisation of the Receivables will be contained in the explanatory notes to the Issuer's accounts (*nota integrativa*). The explanatory notes, together with the balance sheet and the profit and loss statements, form part of the financial statements of Italian limited liability companies (*società a responsabilità limitata*).

Accounts of the Issuer

The fiscal year of the Issuer begins on 1 January of each calendar year and ends on 31 December of the same calendar year with the exception of the first fiscal year which started on 12 September 2000, and ended on 31 December 2000. The last accounts are those relating to the fiscal year ended in December 2018 and approved on 11 April 2019.

The Issuer will produce, and will make available at its registered office, proper accounts (*ordinata contabilità interna*) and audited (to the extent required) financial statements in respect of each financial year (commencing on 1 January and ending on 31 December) but will not produce interim financial statements.

The Issuer's Auditor

The Issuer's auditor is PriceWaterhouseCoopers S.p.A. with offices in Via Monte Rosa, 91, 20149 Milano (MI) Italy, belonging to ASSIREVI - *Associazione Italiana Revisori Contabili* and registered in the special register (*albo speciale*) for auditing companies (*società di revisione*) provided for by article 161 of legislative decree No. 58 of 1998 (repealed by article 43 of Italian legislative decree No. 39 of 27 January 2010 but still in force, pursuant to the latter decree, until the entry into force of the implementing regulations to be issued by the Ministry of Economy and Finance pursuant to such decree).

Principal activities

The principal corporate objectives of the Issuer, as set out in article 4 of its by-laws (*statuto*), include the acquisition of monetary receivables for the purposes of securitisation transactions and the issuance of asset-backed securities or the obtaining of loans.

So long as any of the Notes remain outstanding, the Issuer shall not, without the consent of the Representative of the Noteholders and as provided in the Terms and Conditions and the Transaction Documents, incur any other indebtedness for borrowed monies, engage in any activities except pursuant to the Transaction Documents, pay any dividends, repay or otherwise return any equity capital, have any subsidiaries, employees or premises, consolidate or merge with any other person, convey or transfer its property or assets to any person, or increase its equity capital.

The Issuer will covenant to observe, *inter alia*, those restrictions which are detailed in Condition 5 *(Covenants*).

Directors and statutory auditors of the Issuer

The current sole director (*amministratore unico*) of the Issuer is:

Name	*Address*	*Principal activities*
Mr. Tito Musso *Sole director*	Corso Giolitti, 8 12100 Cuneo (CN) Republic of Italy	Sole director (*Amministratore Unico*)

Mr. Tito Musso was appointed on 12 September 2000 for an undetermined period of time.

The current sole statutory auditor (*sindaco unico*) of the Issuer is:

Name	*Address*	*Principal activities*
Mrs. Daniela Bainotti *Sole Statutory Auditor*	Via Principe Amedeo, 11 10123 Torino (TO) Republic of Italy	Sole statutory auditor (*Sindaco Unico*)

Mrs. Daniela Bainotti was appointed on 20 December 2019 until the approval of financial statement as of 31.12.2021.

Capitalisation and indebtedness statement

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

	Euro
Issued equity capital	
€10,000 fully paid up	10,000
	10,000
Indebtedness	
Notes issued under the Previous Securitisation 2015-1	
€ 825,000,000 Class A-2015-1 Asset-Backed Variable Funding Fixed Rate Notes due October 2031	207,260,889.60
€ 65,000,000 Class B-2015-1 Asset-Backed Variable Funding Fixed Rate Notes due October 2031	65,000,000
€ 110,000,000 Class C-2015-1 Asset-Backed Variable Funding Notes due October 2031	110,000,000
Subordinated loans granted to the Issuer in the context of the Previous Securitisation 2015-1	
€25,030,000 subordinated loan	0

Notes issued under the Previous Securitisation 2016-1	
€ 1,066,000,000 Class A-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040	902,000,000
€ 32,500,000 Class B-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040	27,500,000
€ 45,500,000 Class C-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040	38,500,000
€ 65,000,000 Class D-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040	55,000,000
€ 90,870,000 Class E-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040	76,890,000
€ 130,000 Class F-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040	110,000
Subordinated loans granted to the Issuer in the context of the Previous Securitisation 2016-1	
€45,530,000 subordinated loan	0
Notes issued under the Previous Securitisation 2018-1	
€ 395,700,000 Class A-2018-1 Asset-Backed Floating Rate Notes due March 2037	395,700,000
€ 82,750,000 Class B-2018-1 Asset-Backed Fixed Rate and Variable Return Notes due March 2037	82,750,000
Subordinated loans granted to the Issuer in the context of the Previous Securitisation 2018-1	
€3,987,000 subordinated loan	0
Notes issued under the Securitisation 2019-1	
€ 525,400,000 Class A-2019-1 Asset-Backed Floating Rate Notes due July 2039	525,400,000
€ 18,000,000 Class B-2019-1 Asset-Backed Floating Rate Notes due July 2039	18,000,000
€ 45,100,000 Class C-2019-1 Asset-Backed Fixed Rate Notes due July 2039	45,100,000
€ 12,000,000 Class D-2019-1 Asset-Backed Fixed Rate and Variable Return Notes due July 2039	12,000,000
Notes issued under the Securitisation 2020-1	
€ 629,000,000 Class A-2020-1 Asset-Backed Fixed Rate Notes due September 2044	629,000,000
€ 50,000,000 Class B-2020-1 Asset-Backed Fixed Rate Notes due September 2044	50,000,000

€ 67,498,000 Class Z-2020-1 Asset-Backed Variable Return Notes due September 2044	67,498,000
Subordinated loans granted to the Issuer in the context of the Securitisation 2020-1	
€8,530,000 subordinated loan	8,530,000
Total notes and subordinated loans outstanding	**€3,316,238,889.60**

Save for the foregoing and the Issuer's costs and expenses of incorporation and operation that have been incurred by the Issuer to date, as at the Issue Date, the Issuer will not have borrowings or indebtedness in the nature of borrowings (including loan capital issued or created but unissued), term loans, liabilities under acceptances or acceptance credits, mortgages, charges or guarantees, or other contingent liabilities.

Financial information relating to the Issuer as at 31 December 2016, 31 December 2017 and 31 December 2018

The information below is taken from the audited balance sheets of the Issuer for the years 2016, 2017 and 2018. Any amount is expressed in Euro.

Balance Sheet

Balance Sheet	2016	2017	2018
Due from banks	10,935	10,825	10,714
Tax assets	772,794	750,700	719,062
Other assets	1,323,655	97,502	87,858
TOTAL ASSETS	**2,107,384**	**859,027**	**817,633**
Tax liabilities	2,457	7,851	9,615
Other liabilities	2,094,801	841,050	797,892
Quotaholders' equity	10,000	10,000	10,000
Legal reserve	126	126	126
Net income (losses)	0	0	0
TOTAL LIABILITIES AND QUOTAHOLDERS' EQUITY	**2,107,384**	**859,027**	**817,633**

Profit and Loss

Profit and Loss	2016	2017	2018
Interest income and similar revenues	-105	-90	-18
Other operating expenses/income	466,362	-147,367	-137,127

Administrative costs	-462,078	-147,255	-133,814
INCOME FROM OPERATING ACTIVITIES	**4,179**	**22**	**3,295**
Income taxes	-4,179	-22	-3,295
NET INCOME (LOSSES) FOR THE YEAR	**0**	**0**	0

THE SANTANDER GROUP

Banco Santander S.A.

Banco Santander, S.A. is the parent bank of Grupo Santander. It was established on 21 March 1857 and incorporated in its present form by a public deed executed in Santander, Spain, on 14 January 1875.

Banco Santander, S.A. and its consolidated subsidiaries are a financial group operating through a network of offices and subsidiaries across Spain, the United Kingdom and other European countries, Brazil and other Latin American countries and the US, offering wide range of financial products.

In Latin America, Santander Group have majority shareholdings in banks in Argentina, Brazil, Chile, Colombia, Mexico, Peru and Uruguay.

At 31 December 2018, Santander Group had a market capitalization of €64.5 billion, shareholders' equity of €96.5 billion and total assets of €1,459.3 billion. Santander Group had €980.6 billion in customer funds under management at that date.

As of 31 December 2018, we had a total of 202,713 employees and 13,217 branches.

As of the date of publication of this Prospectus Banco Santander, S.A. has a long-term credit rating of "A-" by Fitch, "A" by Standard & Poor's, "A2" by Moody's and "A (high)" by DBRS.

Banco Santander, S.A. has a long-term credit rating of "A-" by Fitch (as of July 2018), "A" by Standard & Poor's (as of April 2018), "A2" by Moody's (as of October 2018) and "A (high)" by DBRS (as of April 2018).

Additional information is available in the website www.santander.com, which does not form part of this Prospectus. Any information found in said website does not form part of this Prospectus unless that information is incorporated by reference into this Prospectus.

Santander Consumer Finance, S.A.

Santander Consumer Finance, S.A. is part of the Santander Group (as described above), the parent entity of which (Banco Santander, S.A.) had a 100 per cent. direct and indirect ownership interest in the share capital of the Seller as at 31 December 2019.

The Consumer Group's primary activity is related to automobile financing, personal loan and credit card businesses. However, it also works at attracting customer funds.

The Consumer Group is located throughout Europe in Spain, UK, Germany, Poland, Italy, Austria, France, the Netherlands, Norway, Finland, Denmark, Sweden, Switzerland and Portugal, and engages in finance leasing, financing of third party purchases of consumer goods of any kind, full-service leasing ("renting") and other activities.

Santander Consumer Finance business has been profitable and resilient, including during the global financial crisis and ensuing years, and as the European market has recovered, we have continued to gain market share.

In 2019, its attributable profits reached €1,133.4 million, with €98 billion of loans and receivables and about 19 million customers.

Additional information is available in the website www.santanderconsumer.com, which does not form part of this Prospectus. Any information found in said website does not form part of this Prospectus unless that information is incorporated by reference into this Prospectus.

The information contained in this section of this Prospectus relates to and has been obtained from Banco Santander and Santander Consumer Bank respectively. The delivery of this Prospectus shall

not create any implication that there has been no change in the affairs of Banco Santander and Santander Consumer Bank since the date hereof, or that the information contained or referred to in this section of this Prospectus is correct as of any time subsequent to its date.

CITIBANK GROUP

Citibank, N.A. London Branch is a company incorporated with limited liability in the United States of America under the laws of the City and State of New York on 14 June 1812 and reorganised as a national banking association formed under the laws of the United States of America on 17 July 1865 with Charter number 1461 and having its principal business office at 399 Park Avenue, New York, NY 10043, USA and having in Great Britain a principal branch office situated at Canada Square, Canary Wharf, London E14 5LB with a foreign company number FC001835 and branch number BR001018.

The London Branch is authorised and regulated by the Office of the Comptroller of the Currency (USA) and authorised by the Prudential Regulation Authority. It is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority.

Citibank N.A., Milan Branch, a bank incorporated under the laws of United States of America, having its registered office at 701 East 60th Street North, Sioux Falls, South Dakota, U.S.A., acting through its Milan branch, enrolment in the companies' register of Milan number 600769, registered with the register of banking groups held by the Bank of Italy pursuant to article 64 of the Consolidated Banking Act under number 4630, having its registered office at Via dei Mercanti, 12, 20121 Milan, Italy.

The information contained in this section of this Prospectus relates to and has been obtained from Citibank, London Branch and Citibank, Milan Branch respectively. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of Citibank, London Branch and Citibank, Milan Branch since the date hereof, or that the information contained or referred to in this section of this Prospectus is correct as of any time subsequent to its date.

THE REPRESENTATIVE OF THE NOTEHOLDERS

Securitisation Services S.p.A., a company with a sole shareholder incorporated as a "società per azioni", having its registered office at Via Alfieri, 1, Conegliano (TV), Italy, share capital of Euro 2,000,000.00 fully paid up, fiscal code and enrolment in the companies' register of Treviso-Belluno under the number 03546510268, VAT Group "Gruppo IVA FININT S.P.A." - VAT number 04977190265, currently enrolled under number 50 in the register of the Intermediari Finanziari held by the Bank of Italy pursuant to article 106 of the Consolidated Banking Act, belonging to the banking group known as "Gruppo Banca Finanziaria Internazionale", registered with the register of the banking group held by the Bank of Italy, company subject to the activity of direction and coordination (soggetta all'attività di direzione e coordinamento) pursuant to article 2497 of the Italian civil code of Banca Finanziaria Internazionale S.p.A. (**Securitisation Services**).

Securitisation Services is a professional Italian player focusing in managing and monitoring securitisation transactions. In particular, it acts as servicer, master and back-up servicer, back-up servicer facilitator, corporate servicer, calculation agent, cash manager and representative of the noteholders in several structured finance transactions.

In the context of the Securitisation, Securitisation Services acts as Representative of the Noteholders.

The information contained in this section of this Prospectus relates to and has been obtained from Securitisation Services. The delivery of this Prospectus shall not create any implication that there has been no change in the affairs of Securitisation Services since the date hereof, or that the information contained or referred to in this section of this Prospectus is correct as of any time subsequent to its date.

TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions of the Notes (the "**Terms and Conditions**"). In these Terms and Conditions, references to the "holder" of a Note or to the "Noteholders" are to the ultimate owners of the Notes, issued in bearer form and dematerialised and evidenced as book entries with Monte Titoli S.p.A. ("**Monte Titoli**") in accordance with the provisions of (i) article 83 bis of the Financial Laws Consolidated Act and (ii) Regulation 13 August 2018.*

The €629,000,000 Class A 2020-1 Asset-Backed Fixed Rate Notes due September 2044 (the "**Class A Notes**" or the "**Senior Notes**"), the €50,000,000 Class B 2020-1 Asset-Backed Fixed Rate Notes due September 2044 (the "**Class B Notes**" or the "**Mezzanine Notes**") and the € 67,498,000 Class Z-2020-1 Asset-Backed Variable Return Notes due September 2044 (the "**Class Z Notes**" or the "**Junior Notes**" and together with the Senior Notes and the Mezzanine Notes, the "**Notes**") have been issued by Golden Bar (Securitisation) S.r.l. (the "**Issuer**") on 27 February 2020 (the "**Issue Date**") to finance the purchase of the Initial Portfolio and of any Subsequent Portfolios from Santander Consumer Bank S.p.A. ("**Santander Consumer Bank**").

Any reference in these Terms and Conditions to a "**Class**" of Notes or a "**Class**" of holders of Notes shall be a reference to the Senior Notes, the Mezzanine Notes and the Junior Notes, as the case may be, or to the respective holders thereof and any reference to any agreement or document shall be a reference to such agreement or document as the same may have been, or may from time to time be, amended, varied, novated or supplemented.

The principal source of funds available to the Issuer for the payment of amounts due on the Notes will be Collections and Recoveries received in respect of the Receivables arising from the Consumer Loans granted to certain Debtors, owed to Santander Consumer Bank. The Receivables have been purchased and will be purchased by the Issuer from Santander Consumer Bank pursuant to the terms of the Master Transfer Agreement. The Consumer Loans are all consumer loans, granted as personal loans without any specific destination, or aimed at funding the purchase of Vehicles, other assets or services.

The Initial Portfolio were assigned and transferred by Santander Consumer Bank to the Issuer pursuant to the terms of the Master Transfer Agreement dated 27 January 2020 and the relevant Purchase Price will be funded through the net proceeds of the Notes.

During the Revolving Period, subject to the terms and conditions of the Master Transfer Agreement, Santander Consumer Bank may assign and transfer to the Issuer, and the Issuer shall purchase from the Santander Consumer Bank, Subsequent Portfolios of Receivables, the Purchase Price of which will be funded through the Principal Available Funds which will be available for such purpose, in accordance with the applicable Priority of Payments.

1. INTRODUCTION

1.1 *Definitions*

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

1.2 *Noteholders deemed to have notice of the Transaction Documents*

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

1.3 *Provisions of the Terms and Conditions subject to the Transaction Documents*

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

1.4 *Transaction Documents*

1.4.1 By the Master Transfer Agreement, the Seller and the Issuer have agreed the terms and conditions for the assignment and transfer from the Seller to the Issuer of the Portfolios of the Receivables arising out of the Consumer Loan Agreements owed to the Seller by the Debtors thereunder.

1.4.2 By the Warranty and Indemnity Agreement, the Seller has given certain representations and warranties in favour of the Issuer in relation to, *inter alia*, itself, the Receivables, the Consumer Loan Agreements and the Borrowers and has agreed to indemnify the Issuer in respect of certain liabilities of the Issuer incurred in connection with the purchase and ownership of the Aggregate Portfolio.

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

1.4.4 By the Subscription Agreement, the Issuer has agreed to issue the Notes and the Initial Subscriber has agreed to subscribe in full for such Notes, subject to the terms and conditions set out thereunder.

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

1.4.6 By the Cash Allocation, Management and Payment Agreement, the Account Banks, the Computation Agent, the Paying Agents, the Seller and the Servicer have agreed to provide the Issuer with certain calculation, notification, reporting and agency services, together with account handling and investment services in relation to monies and securities from time to time standing to the credit of the Accounts. The Cash Allocation, Management and Payment Agreement also contains provisions for the payment of principal and interest in respect of the Notes and for the investment in Eligible Investments.

1.4.7 By the Intercreditor Agreement, provision has been made as to, *inter alia*, (i) the application of the Issuer Available Funds in accordance with the Priority of Payments, (ii) the limited recourse nature of the obligations of the Issuer and (iii) the circumstances in which the Representative of the Noteholders will be entitled to exercise certain rights in relation to the Aggregate Portfolio.

1.4.8 By the Spanish Deed of Pledge, the Issuer has, *inter alia*, created a Spanish law pledge over the credit rights arising from the Collection Account and the Cash Reserve Account, including all of its present and future rights, title and interest in or to such Accounts and all amounts (including interest) standing from time to time to the credit of, or accrued or accruing on such Accounts in favour of the Representative of the Noteholders, acting in its own name and on behalf of the Noteholders and the Other Issuer Creditors.

1.4.9 By the Mandate Agreement, the Representative of the Noteholders will be authorised, subject to, *inter alia*, a Trigger Notice being served or upon failure by the Issuer to exercise

its rights under the Transaction Documents, to exercise, in the name and on behalf of the Issuer, all the Issuer's non-monetary rights arising out of the Transaction Documents to which the Issuer is a party.

1.4.10 By the Quotaholders Agreement, the Quotaholders have given certain undertakings to the Representative of the Noteholders in relation to the management of the Issuer and the exercise of their rights as quotaholders of the Issuer.

1.4.11 By the Subordinated Loan Agreement, the Subordinated Loan Provider has agreed to grant to the Issuer the Subordinated Loan on the Issue Date in an amount of € 8,530,000 for the purpose of establishing on such date the Cash Reserve for an amount equal to the Cash Reserve Advance, as well as funding the Expenses Account up to the Retention Amount. In addition, upon the service of a Set-Off Reserve Trigger Notice (following the occurrence of a Set-Off Reserve Trigger Event) the Subordinated Loan Provider will advance further funds to the Issuer which will be used by the latter in order to establish the Set-Off Reserve up to the Target Set-Off Reserve Amount.

1.4.12 By the Stichtingen Corporate Services Agreement, the Stichtingen Corporate Services Provider has agreed to provide the Quotaholders with a number of services including, *inter alia*, the provision of accounting and financial services and the management and administration of the Quotaholders.

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

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

1.5 *Transaction Documents available for inspection*

Copies of the Transaction Documents are available for inspection during normal business hours at the office of the Representative of the Noteholders, being, as at the Issue Date, Via Vittorio Alfieri, 131015 Conegliano (TV), Italy.

1.6 *Rules of the Organisation of the Noteholders*

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

1.7 *Representative of the Noteholders*

Each Noteholder recognises that the Representative of the Noteholders is the legal representative of the Organisation of the Noteholders and accepts to be bound by the terms of the Transaction Documents which have been signed by the Representative of the Noteholders as if it had signed such documents itself. Each Noteholder, by reason of holding the Notes acknowledges and agrees that the Initial Subscriber shall not be liable in respect of any loss, liability, claim, expenses or damages suffered or incurred by any of the Noteholders as a result of the performance by Securitisation Services or any successor thereof of its duties as Representative of the Noteholders as provided for in the Transaction Documents.

2 INTERPRETATION AND DEFINITIONS

2.1 *Interpretation*

In these Terms and Conditions, unless otherwise specified or unless the context otherwise requires:

(a) the exhibit hereto constitutes an integral and essential part of these Terms and Conditions and shall have the force of and shall take effect as covenants; and

(b) headings and subheadings are for ease of reference only and shall not affect the construction of these Terms and Conditions.

2.2 *Definitions*

In these Terms and Conditions the following expressions shall, unless otherwise specified or unless the context otherwise requires, have the following meanings:

"**Acceptance Date**" means, during the Revolving Period and in relation to the assignment of the Subsequent Portfolios, a date falling no later than the 10th (tenth) Business Day of each Collection Period.

"**Accepted Amount**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Accepted Objection Amount**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Account**" means each of the Cash Accounts and the Eligible Investments Securities Account, and Accounts means all of them.

"**Account Bank**" means each of the Italian Account Bank and the Spanish Account Bank, and "**Account Banks**" means both of them.

"**Account Report**" means the report named as such to be prepared and delivered by the Account Banks in accordance with the Cash Allocation, Management and Payment Agreement.

"**Account Report Date**" means the 2nd (second) Business Day of each calendar month of each year, provided that the first Account Report Date will fall on the 2nd (second) Business Day of March 2020.

"**Advance**" means each of the Cash Reserve Advance, the funding of the Retention Amount and the Set-Off Reserve Advances and Advances means all of them collectively.

"**Affected Receivables**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Agent**" means each of the Paying Agents, the Computation Agent, the Account Banks and the Custodian Bank (if any) and, Agents, means all of them.

"**Aggregate Portfolio**" means, on any given date, all the Receivables comprised in the Initial Portfolio and in all the Subsequent Portfolios assigned and transferred by the Seller to the Issuer up to such date, pursuant to the Master Transfer Agreement.

"**Aggregate Portfolio Repurchase Option**" means the option, pursuant to article 1331 of the Italian civil code, granted by the Issuer to the Seller to repurchase the Aggregate Portfolio following the occurrence of the Clean-up Call Event or Tax Call Event pursuant to the terms and subject to the conditions set out in the Master Transfer Agreement.

"**Aggregate Portfolio Repurchase Option Exercise Notice**" means any notice delivered pursuant to the Master Transfer Agreement, whereby the Aggregate Portfolio Repurchase Option is exercised.

"**Aggregate Set-Off Loss**" means, in respect of each Payment Date, the aggregate amounts (if any) not being collected or recovered and paid into the Collection Account (or if collected/recovered and paid into such account subsequently clawed-back) in respect of the Receivables comprised in the Aggregate Portfolio during the Collection Period immediately preceding the relevant Payment Date, in each case, as a consequence of the proper and legal exercise of any right of set-off (*eccezione di compensazione*) by any Borrower and/or insolvency receiver of any Borrower (including, for the avoidance of doubt, any right of refund of the unearned financed insurance premium from the Issuer upon default of any Insurance Company).

"**AIFM Regulation**" means the Regulation (EU) no. 231/2013 adopted on 19 December 2012 by the European Commission, as amended and/or supplemented from time to time.

"**Allocated Amount**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Amortisation Period**" means the period commencing on (and including) the Payment Date immediately following the end of the Revolving Period and ending on (and including) the Cancellation Date.

"**Arranger**" means Banco Santander.

"**Average Recovery Rate**" means 50.00 per cent.

"**Back-up Servicer**" means the entity appointed as back-up servicer pursuant to the terms and conditions of the Servicing Agreement.

"**Back-up Servicer Facilitator**" means Santander Consumer Finance or any other entity acting as back-up servicer facilitator under the Securitisation from time to time.

"**Back-up Servicing Agreement**" means the back-up servicing agreement which may be entered into on or between the Issuer, the Servicer and the Back-up Servicer in accordance with the provisions of the Servicing Agreement.

"**Banco Santander**" means Banco Santander S.A., a banking entity incorporated under the laws of Spain, registered with the Banco de España (Bank of Spain) under no. 0049, having its registered offices at Paseo de Pereda 9-12, Santander, Spain and Tax Identification Code A-39000013.

"**Basic Terms Modification**" has the meaning ascribed to such term in the Rules of the Organisation of Noteholders.

"**Borrower**" means any Debtor and/or Dealer, this latter for the payment of the Balloon Instalment to the Seller upon exercise of the relevant contractual option by the Debtor pursuant to the relevant VFG Balloon Auto Loan Agreement.

"**Business Day**" means any day on which the Trans-European Automated Real Time Gross Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007 (TARGET2), or any successor thereto, is open and on which banks are open for business in Luxembourg, Milan, London, Turin and Madrid.

"**Calculation Amount**" means € 1,000 in Principal Amount Outstanding upon issue.

"**Calculation Date**" means the 5th (fifth) Business Day prior to each Payment Date.

"**Cancellation Date**" means the earlier of:

(i) the date on which the Notes have been redeemed in full;

(ii) the Final Maturity Date; and

(iii) the date on which the Servicer gives notice to the Issuer and the Noteholders that it has determined that there is no reasonable likelihood of there being any further amounts to be realised in respect of the Aggregate Portfolio or the Note Security (whether arising from an enforcement of the Note Security or otherwise) being available to the Issuer or, if any Noteholder objects such Servicer's determination for reasonably grounded reasons within 30 (thirty) days from notice thereof, the date on which such determination in respect thereof is made by an independent third party in accordance with Condition 9.2(iii).

"**Cash Account**" means each of the Cash Reserve Account, the Collection Account, the Payments Account, the Set-Off Reserve Account (if any) and the Expenses Account, and Cash Accounts means all of them.

"**Cash Allocation, Management and Payment Agreement**" means the cash allocation, management and payment agreement entered into on or about the Issue Date between the Account Banks, the Computation Agent, the Issuer, the Paying Agents, the Representative of the Noteholders, the Corporate Services Provider, the Seller and the Servicer, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Cash Reserve**" means the funds standing from time to time to the credit of the Cash Reserve Account (including any Eligible Investments made with such funds).

"**Cash Reserve Account**" means the euro denominated account established in the name of the Issuer with the Spanish Account Bank with no. ES17 0049 1500 0020 1934 6150 , or such other substitute account as may be opened in accordance with the Cash Allocation, Management and Payment Agreement.

"**Challenge Notice**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Challenge Period**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Claimed Amount**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Class**" shall be a reference to a class of Notes, being the Class A Notes, the Class B Notes or the Class Z Notes, and Classes shall be construed accordingly.

"**Class A Noteholder**" means any Holder of a Class A Note, and Class A Noteholders means all of them.

"**Class A Notes**" (or "**Senior Notes**") means the € 629,000,000 Class A-2020-1 Asset-Backed Fixed Rate Notes due September 2044.

"**Class A Principal Deficiency Sub-Ledger**" means the sub-ledger of the Principal Deficiency Ledger relating to the Class A Notes.

"**Class A Rate of Interest**" has the meaning ascribed to such term in Condition 7.3 (*Interest - Rate of Interest of the Senior Notes and the Mezzanine Notes*).

"**Class B Noteholder**" means the Holder of a Class B Note, and Class B Noteholders means all of them.

"**Class B Notes**" means the € 50,000,000 Class B-2020-1 Asset-Backed Fixed Rate Notes due September 2044.

"**Class B Principal Deficiency Sub-Ledger**" means the sub-ledger of the Principal Deficiency Ledger relating to the Class B Notes.

"**Class B Rate of Interest**" has the meaning ascribed to such term in Condition 7.3 (*Interest – Rate of Interest of the Senior Notes and the Mezzanine Notes*).

"**Class Z Noteholder**" means the Holder of a Class Z Note, and Class Z Noteholders means all of them.

"**Class Z Notes**" means the € 67,498,000 Class Z-2020-1 Asset-Backed Variable Return Notes due September 2044.

"**Class Z Principal Deficiency Sub-Ledger**" means the sub-ledger of the Principal Deficiency Ledger relating to the Class Z Notes.

"**Clean-up Call Event**" means the circumstance that the aggregate Outstanding Principal of the Receivables comprised in the Aggregate Portfolio being equal to, or lower than, 10 (ten) per cent. of the aggregate Outstanding Principal of the Receivables comprised in the Initial Portfolio as at the relevant Valuation Date.

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

"**Collateral Aggregate Portfolio**" means, on any given date, the aggregate of all Receivables comprised in the Aggregate Portfolio, other than any Defaulted Receivables.

"**Collateral Ratio**" means, with reference to each Collection End Date during the Revolving Period, the ratio expressed as a percentage between (i) the aggregate Outstanding Principal of all the Receivables comprised in the Collateral Aggregate Portfolio, calculated taking into account also the Receivables comprised in the relevant Subsequent Portfolio to be purchased by the Issuer on the immediately following Transfer Date, plus any balance standing to the credit of the Collection Account, the Cash Reserve Account and the Expenses Account and (ii) the Principal Amount Outstanding of the Notes.

"**Collateral Ratio Threshold**" means 97.00 per cent.

"**Collateral Security**" means, with reference to each Receivable, any security interest, guarantee or

other arrangement securing the payment of the Receivables.

"**Collection Account**" means the euro denominated account established in the name of the Issuer with the Spanish Account Bank with no. ES38 0049 1500 0328 1934 6141, or such other substitute account as may be opened in accordance with the Cash Allocation, Management and Payment Agreement.

"**Collection End Date**" means the last calendar day of each of February, May, August and November of each year.

"**Collection Period**" means (i) prior to the delivery of a Trigger Notice, each period commencing on (but excluding) a Collection End Date and ending on (and including) the immediately following Collection End Date, provided that the first Collection Period will commence on (and excluding) the Valuation Date of the Initial Portfolio and will end on (and including) the Collection End Date falling in May 2020, or (ii) following the delivery of a Trigger Notice, any such period as determined by the Representative of the Noteholders.

"**Collections**" means any monies from time to time paid, as of (but excluding) the relevant Valuation Date, in respect of the Consumer Loans and the related Receivables.

"**Computation Agent**" means CITIBANK N.A., LONDON BRANCH or any other entity acting as computation agent under the Securitisation from time to time.

"**Condition**" means a condition of the Terms and Conditions.

"**CONSOB**" means Commissione Nazionale per le Società e la Borsa.

"**CONSOB Resolution no. 11768**" means CONSOB Resolution no. 11768 of 23 December 1998, as amended by CONSOB Resolutions no. 12497 of 20 April 2000 and no. 13085 of 18 April 2001, as subsequently amended and supplemented from time to time.

"**CONSOB Resolution no. 20307**" means CONSOB Resolution no. 20307 of 15 February 2018, as subsequently amended and supplemented from time to time.

"**Consolidated Banking Act**" means legislative decree no. 385 of 1 September 1993, as amended and/or supplemented from time to time.

"**Consumer Loans**" means the consumer loans and the personal credit facilities granted by the Seller pursuant to the Consumer Loan Agreements, from which the Receivables arise, and Loan means any of them.

"**Consumer Loan Agreements**" means the consumer loan agreements executed between Santander Consumer Bank and the Debtor, pursuant to which the Consumer Loans are advanced and out of which the Receivables arise, including, for avoidance of doubt, any VFG Balloon Auto Loan Agreement and Consumer Loan Agreement means all any of them.

"**Contested Objection Amount**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Corporate Services**" means the services which the Corporate Services Provider will provide to the Issuer pursuant to the Corporate Services Agreement.

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

"**Corporate Services Provider**" means Bourlot Gilardi Romagnoli e Associati or any other entity acting as corporate services provider under the Securitisation from time to time.

"**CRA Regulation**" means Regulation (UE) no. 1060/2009, as amended and/or supplemented from time to time.

"**Credit and Collection Policies**" means the procedures for the management, collection and recovery of the Receivables attached to the Servicing Agreement.

"**CRR**" means Regulation (EU) no. 575/2013, as amended and/or supplemented from time to time.

"**CRR Amendment Regulation**" means Regulation (EU) no. 2401 of 12 December 2017 amending Regulation (EU) no. 575 of 26 June 2013 on prudential requirements for credit institutions and investment firms.

"**CSSF**" means *Commission de Surveillance du secteur financier*.

"**Cumulative Loss Ratio**" means, with reference to each Collection End Date immediately preceding any Payment Date, the ratio (as outlined in each relevant Servicer Report) expressed as a percentage between:

(a) the sum of the Outstanding Principal of the Defaulted Receivables during the period from the Initial Transfer Date until such Collection End Date reduced by the amount of the Recoveries received in respect of the Defaulted Receivables during such period; and

(b) the aggregate Outstanding Principal, as at the relevant Transfer Date, of all Receivables comprised in the Aggregate Portfolio.

"**Custodian Bank**" means the Eligible Institution to be appointed as custodian bank pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

"**Date of Receipt**" has the meaning ascribed to such term in the Servicing Agreement.

"**DBRS**" means any entity that is part of DBRS and any successor to the relevant rating activity.

"**DBRS Equivalent Rating**" means:

means the DBRS rating equivalent of any of the below ratings by Fitch Ratings Limited (Fitch), Moody's Investors Service Inc. (Moody's) or by S&P Global Ratings Europe Limited (S&P):

DBRS	Moody's	S&P	Fitch
AAA	Aaa	AAA	AAA
AA(high)	Aa1	AA+	AA+

AA	Aa2	AA	AA
AA(low)	Aa3	AA-	AA-
A(high)	A1	A+	A+
A	A2	A	A
A(low)	A3	A-	A-
BBB(high)	Baa1	BBB+	BBB+
BBB	Baa2	BBB	BBB
BBB(low)	Baa3	BBB-	BBB-
BB(high)	Ba1	BB+	BB+
BB	Ba2	BB	BB
BB(low)	Ba3	BB-	BB-
B(high)	B1	B+	B+
B	B2	B	B
B(low)	B3	B-	B-
CCC(high)	Caa1	CCC+	CCC+
CCC	Caa2	CCC	CCC
CCC(low)	Caa3	CCC-	CCC-
CC	Ca	CC	CC
C	C	D	D

"**DBRS Minimum Rating**" means:

(a) if a Fitch public long term rating, a Moody's public long term rating and a S&P long term rating in respect of the Eligible Investment or the Eligible Institution, as the case may be (each, a Public Long Term Rating) are all available at such date, the DBRS Minimum Rating will be the DBRS Equivalent Rating of such public long term rating remaining after disregarding the highest and lowest of such Public Long Term Ratings from such rating agencies (provided that if such Public Long Term Rating is under credit watch negative, or the equivalent, then the DBRS Equivalent Rating will be considered one notch below) (for this purpose, if more than one Public Long Term Rating has the same highest DBRS Equivalent Rating or the same lowest DBRS Equivalent Rating, then in each case one of

such Public Long Term Ratings shall be so disregarded);

(b) if the DBRS Minimum Rating cannot be determined under paragraph (a), but Public Long Term Ratings by any two of Fitch, Moody's and S&P are available at such date, the DBRS Equivalent Rating of the lower such Public Long Term Rating (provided that if such Public Long Term Rating is under credit watch negative, or the equivalent, then the DBRS Equivalent Rating will be considered one notch below); and

(c) if the DBRS Minimum Rating cannot be determined under paragraphs (a) and (b), but Public Long Term Ratings by any one of Fitch, Moody's and S&P are available at such date, then the DBRS Equivalent Rating will be such Public Long Term Rating (provided that if such Public Long Term Rating is under credit watch negative, or the equivalent, then the DBRS Equivalent Rating will be considered one notch below).

If at any time the DBRS Minimum Rating cannot be determined under paragraphs (a) to (c), then a DBRS Minimum Rating of "C" shall apply at such time.

"**Dealer**" means, in relation to any Consumer Loan, a conventioned dealer (*esercizio convenzionato*).

"**Debtor**" means each entity and/or the person who has entered into a Consumer Loan Agreement with the Seller from which a Receivable arises.

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

"**Decree 213**" means Italian Legislative Decree no. 213 of 24 June 1998, as amended and/or supplemented from time to time.

"**Decree 7**" means Italian Law Decree no. 7 of 31 January 2007, converted into law no. 40 of 2 April 2007, as amended and/or supplemented from time to time.

"**Decree 91**" means Italian Law Decree no. 91 of 11 August 2014, converted into law no. 116 of 11 August 2014, as amended and/or supplemented from time to time.

"**Decree 93**" means Italian Law Decree no. 93 of 27 May 2008, as amended and/or supplemented from time to time.

"**Decree 145**" means Law Decree of 23 December 2013 no. 145 converted into law by Law no. 9 of 21 February 2014, as amended and/or supplemented from time to time.

"**Decree 239**" means Italian Legislative Decree no. 239 of 1 April 1996, as amended and/or supplemented from time to time and any related regulations.

"**Decree 350**" means Italian Law Decree no. 350 of 25 September 2001, converted into law with amendments by Law no. 409 of 23 November 2001, as amended and/or supplemented from time to time.

"**Decree 351**" means Italian Law Decree no. 351 of 25 September 2001, as amended and/or supplemented from time to time.

"**Decree 435**" means Italian Legislative Decree no. 435 of 21 November 1997, as amended and/or

supplemented from time to time.

"**Default Date**" means the date on which a Receivable becomes a Defaulted Receivable.

"**Defaulted Amounts**" means, with reference to any Collection End Date, the aggregate Outstanding Principal of any Receivable that has become a Defaulted Receivable during the Collection Period ending on such Collection End Date, such amount being calculated as at the date that such Receivable became a Defaulted Receivable.

"**Defaulted Receivables**" means any Receivables arising from the Consumer Loans in respect of which (i) there are one or more instalments that are 90 (ninety) days overdue; or (ii) following the relevant final maturity date, there is at least one instalment which is 90 (ninety) days overdue or more; or (iii) the relevant Borrower has been subject to acceleration (*decadenza dal beneficio del termine*); or (iv) the Servicer, in accordance with the Credit and Collection Policies, considers that the relevant Borrower is unlikely to pay the instalments under the Consumer Loans as they fall due.

"**Delinquency Ratio**" means, with reference to each Collection End Date during the Revolving Period, the ratio expressed as a percentage between (i) the aggregate Outstanding Principal of all the Receivables comprised in the Aggregate Portfolio which are Delinquent Receivables as at the last day of the relevant Collection Period, and (ii) the aggregate Outstanding Principal of all the Receivables comprised in the Collateral Aggregate Portfolio, calculated taking into account also the Receivables comprised in the relevant Subsequent Portfolio to be purchased by the Issuer on the immediately following Transfer Date.

"**Delinquency Ratio Threshold**" means 5.00 per cent.

"**Delinquent Receivables**" means the Receivables which have not yet become Defaulted Receivables and which arise from Consumer Loans under which there are one or more consecutive or non-consecutive Unpaid Instalments, and Delinquent Receivable means any of such Delinquent Receivables.

"**Disposal**" has the meaning ascribed to such term in the Servicing Agreement.

"**Documents**" means all documents relating to the Receivables comprised in the Aggregate Portfolio.

"**Documentation**" has the meaning ascribed to such term in the Servicing Agreement.

"**Dodd-Frank Act**" means the Dodd-Frank Wall Street Reform and Consumer Protection Act enacted as a United States federal law in 2010, as from time to time amended and supplemented.

"**Early Redemption Date**" means the date of early redemption of the Notes pursuant to Condition 8.3 (*Optional redemption for clean-up call*), Condition 8.4 (*Optional Redemption – Time Call Option*) or Condition 8.5 (*Optional redemption for taxation reasons*).

"**Eligibility Criteria**" means the eligibility criteria of each Receivable included in the Initial Portfolio and the Subsequent Portfolios listed in schedule 1 to the Master Transfer Agreement.

"**Eligible Institution**" means a depository institution organised under the laws of any state which is a member of the European Union or of the United States, whose unsecured and unsubordinated debt obligations have the following ratings:

(i) with respect to DBRS:

(A) a long-term public or private rating at least equal to "BBB (high)"; or

(B) in the absence of a public or private rating by DBRS, a DBRS Minimum Rating of "BBB (high)"; or

(C) such other rating as may from time to time comply with DBRS' criteria; and

(ii) with respect to Fitch, at least "F2" by Fitch as a short-term senior debt rating or "BBB" by Fitch as a long-term senior debt rating.

"**Eligible Investment Maturity Date**" means, with reference to each Eligible Investment, the earlier of (a) the maturity date of such Eligible Investment, and (b) the day falling 4 (four) Business Days prior to each Payment Date.

"**Eligible Investments**" means:

(a) Euro denominated senior (unsubordinated) debt securities or other debt instruments denominated in Euro having:

(i) if such investments have a maturity which is equal to or less than 30 calendar days:

(A) a long term rating of at least "A" by DBRS or a short-term rating of at least "R- 1 (low)" by DBRS; and

(B) a short term issuer default rating of at least "F2" by Fitch or a long term issuer default rating of at least "BBB" by Fitch; or

(ii) if such investments have a maturity which is longer than 30 calendar days:

(A) a long-term rating of at least "AA (low)"by DBRS or a short-term rating of at least "R-1 (middle)" by DBRS; and

(B) a long-term rating of at least "AA-" by Fitch or a short-term rating of "F1+" by Fitch,

provided that such investments (A) are in dematerialised form; (B) provide a fixed principal amount at maturity (such amount not being lower than the initially invested amount) or, in case early disposal or liquidation, the principal amount upon disposal or liquidation is at least equal to the principal amount invested; (C) in case of downgrading below the rating levels set out above, shall be liquidated within ten days (unless a loss would result from the liquidation, in which case they shall be allowed to mature) and (D) have a maturity date not exceeding the immediately following Eligible Investment Maturity Date; or

(b) Euro denominated bank accounts or deposits (including, for the avoidance of doubt, time deposits) opened with an Eligible Institution provided that such investments (i) are immediately repayable on demand, disposable without any penalty or any loss and have a maturity date falling no later than the immediately following Eligible Investment Maturity Date; (ii) provide a fixed principal amount at maturity (such amount not being lower than the initially invested amount) or, in case early disposal or liquidation, the principal amount upon disposal or liquidation is at least equal to the principal amount invested; (iii) shall be

transferred, within 30 (thirty) calendar days from the date on which the institution ceases to be an Eligible Institution, to another Eligible Institution at no cost for the Issuer; and (iv) the deposits shall be in Euro; or

(c) Euro denominated money market funds which permit daily liquidation of investments and which are rated (i) "AAA" by DBRS or in the absence of a public or private rating by DBRS the DBRS Equivalent Rating of "AAA"; and (ii) "AAAmmf" by Fitch, are redeemable to a principal amount at maturity equal to the principal amount originally invested, with a maturity date not exceeding the immediately following Eligible Investment Maturity Date,

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

"**Eligible Investment Maturity Date**" means, with reference to each Eligible Investment, the earlier of (a) the maturity date of such Eligible Investment, and (b) the day falling 4 (four) Business Days prior to each Payment Date.

"**Eligible Investments Securities Account**" means the securities account established in the name of the Issuer with an Eligible Institution into which the bonds, debentures or other kinds of notes or financial instruments purchased with monies standing to the credit of the Investment Accounts shall be deposited, in accordance with the Cash Allocation, Management and Payment Agreement.

"**Eligible Investments Securities Account Report**" means the periodic report (i) to be prepared in accordance with the Cash Allocation, Management and Payment Agreement by the Custodian Bank (if appointed), (ii) setting out certain information in relation to the Eligible Investments Securities Account (if opened), and (iii) to be delivered on or prior to each Account Report Date to, inter alios, the Issuer, the Representative of the Noteholders, the Servicer, the Corporate Services Provider and the Computation Agent.

"**EMU**" means the European Economic and Monetary Union introduced pursuant to the Treaty establishing the European Communities, as amended by the Treaty on European Union.

"**ESMA**" means European Securities and Markets Authority.

"**EU Insolvency Regulation**" means Regulation (EU) no. 848 of 20 May 2015 on insolvency proceedings, as amended and/or supplemented from time to time.

"**EU Securitisation Regulation**" means Regulation (EU) no. 2402 of 12 December 2017, as amended and/or supplemented from time to time.

"**Euro**", "**€**" and "**cents**" refer to the single currency introduced in the Member States of the European Community which adopted the single currency in accordance with the Treaty of Rome of 25 March 1957, as amended by, inter alia, the Single European Act 1986, the Treaty of the European Union of 7 February 1992 establishing the European Union and the European Council of Madrid of

16 December 1995.

"**Euroclear**" means Euroclear Bank S.A./N.V., with registered office at 1 Boulevard du Roi Albert II, B - 1210 Brussels, as operator of the Euroclear System.

"**Euro-Zone**" means the region comprised of Member States of the European Union that adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957) as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992).

"**Expenses**" means any documented fees, costs, expenses and taxes required to be paid by the Issuer to any third party creditors (other than the Noteholders and the Other Issuer Creditors) arising in connection with the Transaction (including, without limitation, all costs and taxes required to be paid to maintain the listing and rating of the Rated Notes and in connection with the deposit of the Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents), and any other documented costs, expenses and taxes required to be paid in order to preserve the existence of the Issuer or to maintain it in good standing, or to comply with applicable laws and regulations.

"**Expenses Account**" means the euro denominated account established in the name of the Issuer with the Italian Account Bank, with IBAN no. IT26S0356601600000125980031 , or such other substitute account opened in accordance with the Cash Allocation, Management and Payment Agreement.

"**Expert**" has the meaning ascribed to such term in the Servicing Agreement.

"**Extraordinary Resolution**" means a resolution passed at a Meeting of the relevant Noteholders, duly convened and held in accordance with the provisions contained in the Rules of the Organisation of the Noteholders to resolve on the objects set out therein.

"**Final Determined Amount**" means:

(i) in relation to any Receivables (other than the Defaulted Receivables), the Outstanding Principal of such Receivable at the immediately preceding Collection End Date together with the interest accrued but unpaid on such Outstanding Principal up to (but excluding) the same date; or

(ii) in relation to any Defaulted Receivable (whether or not written off by, or on behalf of, the Issuer) on the date of the relevant Individual Receivables Repurchase Option, the Outstanding Principal multiplied by the Average Recovery Rate.

"**Final Maturity Date**" means the Payment Date falling in September 2044.

"**Final Repurchase Price**" means the repurchase price of the Aggregate Portfolio which shall be equal to the sum of:

(a) the aggregate Outstanding Principal of the Receivables comprised in the Aggregate Portfolio (excluding any Defaulted Receivable) as at the immediately preceding Collection End Date; *plus*

(b) for any Defaulted Receivables, the aggregate Final Determined Amount as at the immediately preceding Collection End Date; *plus*

(c) any interest on the repurchased Receivables (other than Defaulted Receivables and Delinquent Receivable) accrued until, and outstanding on the immediately preceding Collection End Date.

"**Financial Laws Consolidated Act**" means the Italian Legislative Decree no. 58 of 24 February 1998, as amended and/or supplemented from time to time.

"**First Payment Date**" means the Payment Date falling in June 2020.

"**Fitch**" means FITCH ITALIA – Società Italiana per Il Rating S.p.A.

"**FITD**" means the "Fondo Interbancario di Tutela dei Depositi", having its offices at via del Plebiscito 102, Rome and VAT no. 01951041001.

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

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

"**GDPR**" means Regulation (UE) no. 679/2016, as amended and/or supplemented from time to time.

"**Guarantor**" means any person or entity who has granted a Collateral Security.

"**Holder**" means the beneficial owner of a Note.

"**Individual Purchase Price**" means the purchase price of the Receivables relating to each Consumer Loan, purchased by the Issuer pursuant to the Master Transfer Agreement.

"**Individual Receivables Repurchase Option**" means the option, pursuant to article 1331 of the Italian civil code, granted by the Issuer to the Seller to repurchase individual Receivables comprised in the Aggregate Portfolio pursuant to the terms and subject to the conditions set out in the Master Transfer Agreement.

"**Individual Receivables Repurchase Option Exercise Notice**" means any notice delivered pursuant to the Master Transfer Agreement, whereby the Individual Receivables Repurchase Option is exercised.

"**Initial Interest Period**" means the first Interest Period, that shall begin on (and including) the Issue Date and end on (but excluding) the First Payment Date.

"**Initial Portfolio**" means the first portfolio of Receivables assigned and transferred by the Seller to the Issuer on the Initial Transfer Date, pursuant to the Master Transfer Agreement.

"**Initial Subscriber**" means Santander Consumer Bank, in its capacity as initial subscriber of the Notes under the Subscription Agreement and any of its permitted successors and assignees.

"**Initial Transfer Date**" means 27 January 2020.

"**Initial Valuation Date**" means 23:59 of 23 January 2020.

"**Inside Information Report**" means the report named as such to be prepared and delivered, by the

Servicer in accordance with the Servicing Agreement.

"**Insolvency Event**" means in respect of any company or corporation that:

(a) such company or corporation has become subject to any applicable bankruptcy, liquidation, administration, insolvency, composition or reorganisation (including, without limitation, "*fallimento*", "*liquidazione coatta amministrativa*", "*concordato preventivo*", "*amministrazione straordinaria*" and "*provvedimenti di risanamento o risoluzione*", each such expression bearing the meaning ascribed to it by the laws of the Republic of Italy, and including also any equivalent or analogous proceedings under the law of any jurisdiction in which such company or corporation is deemed to carry on business including the seeking of liquidation, winding-up, reorganisation, dissolution, administration) or similar proceedings or the whole or any substantial part of the undertaking or assets of such company or corporation are subject to a *pignoramento* or similar procedure having a similar effect (other than in the case of the Issuer, any portfolio of assets purchased by the Issuer for the purposes of further securitisation transactions), unless in the opinion of the Representative of the Noteholders, such proceedings are being disputed in good faith with a reasonable prospect of success; or

(b) an application for the commencement of any of the proceedings under paragraph (a) is made in respect of or by such company or corporation or such proceedings are otherwise initiated against such company or corporation and, in the opinion of the Representative of the Noteholders, the commencement of such proceedings are not being disputed in good faith with a reasonable prospect of success; or

(c) such company or corporation takes any action for a re-adjustment of deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors (other than, in the case of the Issuer, the Other Issuer Creditors) or is granted by a competent court a moratorium in respect of any of its indebtedness or any guarantee of any indebtedness given by it or applies for suspension of payments; or

(d) an order is made or an effective resolution is passed for the winding-up, liquidation or dissolution in any form of such company or corporation (expect a winding-up for the purposes of or pursuant to a solvent amalgamation or reconstruction, the terms of which have been previously approved in writing by the Representative of the Noteholders) or any of the events under Article 2484 of the Italian Civil Code occurs with respect to such company or corporation.

"**Insolvency Proceeding**" means bankruptcy (*fallimento*) or any other insolvency (*procedura concorsuale*) in Italy or analogous proceedings in any jurisdiction (as the case may be), including, but not limited to, any reorganisation measure (*procedura di risanamento*) or winding-up proceedings (*procedura di liquidazione*), of any nature, court settlement with creditors in pre-bankruptcy proceedings (*concordato preventivo*), out-of-court settlements with creditors (*accordi di ristrutturazione dei debiti* and *piani di risanamento*), extraordinary administration (*amministrazione straordinaria*, including *amministrazione straordinaria delle grandi imprese in stato di insolvenza*), compulsory administrative liquidation (*liquidazione coatta amministrativa*), any recovery or resolution proceeding (*provvedimento di risanamento o risoluzione*) or similar proceedings in other jurisdictions.

"**Instalment**" means each instalment that is due under a Consumer Loan and which consists of an Interest Component (if any) and a Principal Component and that, with reference to the VFG Balloon

Auto Loan Agreements and to any other Consumer Loan Agreement that is granted to the Debtor for the purchase of the relevant Vehicle, includes also the Balloon Instalment.

"**Insurance Company**" means each insurance company which has issued an Insurance Policy.

"**Insurance Policy**" means any insurance policy relating or connected to a Consumer Loan Agreement, and Insurance Policies means all of them.

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

"**Interest Accrual**" means, in respect of the Receivables comprised in each Portfolio, the amount of interest accrued but unpaid up to (but excluding) the relevant Valuation Date.

"**Interest Amount**" means, in respect of the Notes, the amount of interest accrued during the relevant Interest Period in respect of the relevant Class as determined in accordance with Condition 7 (*Interest*).

"**Interest Amount Arrears**" means any portion of the relevant Interest Amount for the Notes of any Class which remains unpaid on any Payment Date.

"**Interest Available Funds**" means, in respect in respect of any Payment Date, the aggregate of the following amounts (without double counting):

(a) the Interest Components received by the Issuer in respect of the Receivables comprised in the Aggregate Portfolio during the immediately preceding Collection Period;

(b) the available Revenue Eligible Investments Amount deriving from the Eligible Investments (if any) made using funds from the Collection Account, the Cash Reserve Account and the Set-Off Reserve Account (if opened), following liquidation thereof on the immediately preceding Eligible Investments Maturity Date;

(c) except on (i) the Final Maturity Date, (ii) the Payment Date on which there will be sufficient Issuer Available Funds (including the Cash Reserve) to redeem in full the Rated Notes, and (iii) the Payment Date following the delivery of a Trigger Notice, the Cash Reserve as at the immediately preceding Payment Date after making payments due under the Pre-Trigger Interest Priority of Payments on that date (or, in respect of the First Payment Date, the Cash Reserve as at the Issue Date);

(d) the available proceeds, other than the Revenue Eligible Investments Amount, deriving from the Eligible Investments (if any) made using funds from the Cash Reserve Account, following liquidation thereof on the immediately preceding Eligible Investments Maturity Date;

(e) all amounts of positive interest accrued and paid on the Accounts (other than the Expenses Account) during the immediately preceding Collection Period (net of any applicable withholding or expenses);

(f) payments made to the Issuer by any other party to the Transaction Documents during the immediately preceding Collection Period, excluding those amounts constituting

Principal Available Funds;

(g) the interest component of the purchase price received by the Issuer in relation to the sale of any Receivables (other than Defaulted Receivables) made in accordance with the Master Transfer Agreement and the Warranty and Indemnity Agreement during the immediately preceding Collection Period;

(h) any Recoveries (including any purchase price received in relation to the sale of any Defaulted Receivables) received by the Issuer in respect of any Defaulted Receivable during the Collection Period immediately preceding such Calculation Date;

(i) any other amount standing to the credit of the Collection Account as at the end of the Collection Period immediately preceding the relevant Calculation Date, but excluding those amounts constituting Principal Available Funds; and

(j) any Principal Available Funds to be allocated in or towards provision of the Interest Available Funds on such Payment Date in accordance with the Pre-Trigger Principal Priority of Payments.

"**Interest Component**" means the interest component of each Instalment (including commissions for SEPA direct debit payments (SEPA), collection commissions for postal payments and Prepayment Fees) and any other amount which is not a Principal Component.

"**Interest Determination Date**" means, with respect to the Initial Interest Period, the date falling 2 (two) Business Days prior to the Issue Date and, with respect to each subsequent Interest Period, the date falling 2 (two) Business Days prior to the Payment Date at the beginning of such Interest Period. "**Interest Payment Amount**" has the meaning ascribed to such term in Condition 7.5 (*Determination of Interest Payments Amount and Variable Return*).

"**Interest Period**" means each period beginning on (and including) a Payment Date and ending on (but excluding) the immediately following Payment Date, provided that the first Interest Period will commence on (and include) the Issue Date and end on (but exclude) the Payment Date falling in June 2020.

"**Investment Accounts**" means each of the Collection Account, the Cash Reserve Account and the Set-Off Reserve Account (if opened).

"**Investors Report**" means the report named as such to be prepared and delivered by the Computation Agent in accordance with the Cash Allocation, Management and Payment Agreement. Such Investor Report will be made freely available into the Computation Agent's website.

"**Investors Report Date**" means the 3rd (third) Business Day prior to each Payment Date.

"**IRAP**" means the regional tax on productive activities governed by Legislative Decree no. 446 of 15 December 1997.

"**IRES**" means *imposta sul reddito delle società* governed by Presidential Decree no. 917 of 22 December 1986 and applied on the corporate taxable income.

"**Issue Date**" means 27 February 2020.

"**Issue Price**" means 100 per cent.

"**Issuer**" means Golden Bar (Securitisation) S.r.l., a limited liability company (*società a responsabilità limitata*) incorporated under the laws of the Republic of Italy, having its registered office at Via Principe Amedeo, 11 10123 Turin, Italy, fiscal code and enrolment with the companies' register of Turin Milan no. 13232920150, quota capital of Euro 10,000 fully paid-up, enrolled with the register of the special purpose vehicles held by the Bank of Italy pursuant to the Bank of Italy's regulation dated 7 June 2017 under no. 32474.9.

"**Issuer Available Funds**" means, in relation to each Payment Date, the aggregate of all:

(a) Interest Available Funds; and

(b) Principal Available Funds.

"**Issuer's Rights**" means the Issuer's right, title and interest in and to the Receivables, any rights that the Issuer has acquired under the Transaction Documents and any other rights that the Issuer has acquired against the Seller, any Other Issuer Creditors (including any applicable guarantors or successors) or third parties for the benefit of the Noteholders in connection with this Securitisation.

"**Italian Account Bank**" means CITIBANK N.A., MILAN BRANCH or any other entity, being an Eligible Institution, acting as Italian account bank under the Securitisation from time to time.

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

"**Junior Noteholder**" means the Holder of a Junior Note and Junior Noteholders means all of them.

"**Junior Notes**" means the Class Z Notes and Junior Note means any of them.

"**Law 52**" means Law 21 February 1991, no. 52 as amended and/or supplemented from time to time.

"**Law 132**" means Law no. 132 of 6 August 2015, as amended and/or supplemented from time to time.

"**Law 383**" means Law no. 383 of 18 October 2001, as amended and/or supplemented form time to time.

"**Liquidation Date**" means the date falling one Business Day before each Calculation Date.

"**List of Receivables**" means (i) in relation to the Initial Portfolio, the list of Receivables comprised in the Initial Portfolio attached as schedule 6 to the Master Transfer Agreement and (ii) in relation to each Subsequent Portfolio, the list of Receivables comprised in the relevant Subsequent Portfolio attached as annex A to the relevant Transfer Agreement.

"**Loan by Loan Report**" means the report named as such to be prepared and delivered by the Servicer in accordance with the Servicing Agreement.

"**Local Paying Agent**" means CITIBANK N.A., MILAN BRANCH or any other entity acting as paying agent under the Securitisation from time to time.

"**Luxembourg Act**" means the Luxembourg Act dated 16 July 2019 relating to prospectuses for securities.

"**Luxembourg Stock Exchange**" means the stock exchange based in Luxembourg City at 35A boulevard Joseph II.

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

"**Master Definitions Agreement**" means the master definitions agreement entered into on or about the Issue Date between all the parties to each of the Transaction Documents, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Master Transfer Agreement**" means the Master Transfer Agreement entered into on 27 January 2020 between the Issuer and the Seller, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Material Obligation**" has the meaning ascribed to such term in the Servicing Agreement.

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

"**Mezzanine Noteholder**" means the Holder of a Mezzanine Note and Mezzanine Noteholders means all of them.

"**Mezzanine Notes**" means the Class B Notes and Mezzanine Note means any of them.

"**Monte Titoli**" means Monte Titoli S.p.A., with registered office at Piazza degli Affari no. 6, 20123 Milan, Italy.

"**Monte Titoli Account Holders**" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli including any depository banks appointed by Euroclear and Clearstream.

"**Monte Titoli Mandate Agreement**" means the agreement entered into between the Issuer and Monte Titoli, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

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

"**Most Senior Class of Notes**" means, on any given date, without prejudice to any applicable Priority of Payments:

(a) the Class A Notes (for so long as there are Class A Notes outstanding); or

(b) if no Class A Notes are then longer outstanding, the Class B Notes (for so long as there are Class B Notes outstanding); or

(c) if no Class A Notes or Class B Notes are then longer outstanding, the Class Z Notes (for so long as there are Class Z Notes outstanding).

"**Negative Event**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Net Exposure**" means, on any given date: (a) with respect to any Consumer Loan whose Debtor has in place with the Seller one or more deposits, an amount equal to the lower of (i) the Outstanding Principal of such Consumer Loan as of such date and (ii) the aggregate amount of all such deposits as of such date, less with reference only to any deposit benefitting from the guarantee of the FITD, the relevant guaranteed amount; and (b) with respect to any Portfolio and the Aggregate Portfolio, the aggregate of the Net Exposure under letter (a) above as of such date of all the outstanding Consumer Loans comprised in the relevant Portfolio and the Aggregate Portfolio, respectively.

"**Non-Compliance Notice**" has the meaning ascribed to such term in the Master Transfer Agreement.

"**Non-Compliant Receivable**" has the meaning ascribed to such term in the Master Transfer Agreement.

"**Non-Eligibility Notice**" has the meaning ascribed to such term in the Master Transfer Agreement.

"**Non-Eligible Receivable**" has the meaning ascribed to such term in the Master Transfer Agreement.

"**Noteholders**" means the Holders of the Senior Notes, the Mezzanine Notes and the Junior Notes, collectively, and Noteholder means any of them.

"**Notes**" means the Senior Notes, the Mezzanine Notes and the Junior Notes, collectively, and "**Note**" means any of them.

"**Note Security**" means, the security interests created under the Security Documents and any other agreement entered into by the Issuer from time to time and granted as security to the Noteholders and/or the Other Issuer Creditors (or some of them) or to the Representative of the Noteholders on behalf of all or some of the Noteholders and/or the Other Issuer Creditors.

"**Obligations**" means all of the obligations of the Issuer created by or arising under the Notes and the Transaction Documents.

"**Objection**" means has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Objection Notice**" means has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Offer Date**" means, during the Revolving Period and in relation to each Subsequent Portfolio, a date falling no later than 9 (nine) Business Day after the end of each Collection Period.

"**Official Gazzette**" means the *Gazzetta Ufficiale della Repubblica Italiana*.

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

"**Other Issuer Creditors**" means, collectively, the Account Banks, the Computation Agent, the Principal Paying Agent the Corporate Services Provider, the Local Paying Agent, the

Representative of the Noteholders, the Seller, the Servicer, the Stichtingen Corporate Services Provider, the Arranger, the Initial Subscriber, the Subordinated Loan Provider, the Custodian Bank (if appointed) and any other creditor of the Issuer under the Transaction Documents that becomes party to the Intercreditor Agreement and "**Other Issuer Creditor**" means any of them.

"**Other Right**" means any other right, claim and action (including any legal proceeding for the recovery of suffered damages), substantial and procedural action and defence inherent or otherwise ancillary to the aforesaid rights and claims and their exercise in accordance with the Consumer Loan Agreements and/or pursuant to the applicable laws and regulations, including, without limitation, the right to terminate the relevant Consumer Loan Agreement due to a default (*risoluzione per inadempimento*) and the right to declare any amount under the relevant Consumer Loan Agreement immediately due and payable (*decadenza dal beneficio del termine*).

"**Outstanding Principal**" means, on any given date: (a) with respect to any Consumer Loan and the relevant Receivables, the sum of (i) the aggregate of all the Principal Components owing from the relevant Borrower and/or scheduled to be paid after such date and (ii) the aggregate of all the Principal Components which are past due and unpaid as of such date and (b) with respect to any Portfolio and the Aggregate Portfolio, the aggregate of the Outstanding Principal as of such date of all the Receivables (other than Defaulted Receivables) comprised in the relevant Portfolio and the Aggregate Portfolio, respectively.

"**Paying Agents**" means the Principal Paying Agent and the Local Paying Agent, and "**Paying Agent**" means each of the Principal Paying Agent and Local Paying Agent singularly.

"**Paying Agent Report**" means the report named as such to be prepared and delivered by the Principal Paying Agent in accordance with the Cash Allocation, Management and Payment Agreement.

"**Payment Date**" means (i) prior to the delivery of a Trigger Notice, 20 March, 20 June, 20 September and 20 December of each year (or, if such day is not a Business Day, the immediately following Business Day), provided that the First Payment Date will fall in June 2020, or (ii) following the delivery of a Trigger Notice, any such Business Day as determined by the Representative of the Noteholders on which payments are to be made under the Securitisation.

"**Payments Account**" means the euro denominated account established in the name of the Issuer with the Italian Account Bank with IBAN no. IT48S0356601600000125980023 , or such other substitute account as may be opened in accordance with the Cash Allocation, Management and Payment Agreement.

"**Payments Report**" means the report named as such to be prepared and delivered by the Computation Agent in accordance with the Cash Allocation, Management and Payment Agreement. Such Payments Report will be made freely available into the Computation Agent's website.

"**Portfolio**" means the Initial Portfolio or any Subsequent Portfolio, as the case may be.

"**Post-Trigger Priority of Payments**" means the order of priority set out in Condition 6.3 (*Post-Trigger Priority of Payments*), pursuant to which the Issuer Available Funds shall be applied following the delivery of a Trigger Notice or in case of redemption as at the Final Maturity Date in accordance with Condition 8.1.1 or in the event that the Issuer opts for the early redemption of the Notes issued under the Securitisation under Condition 8.3 (*Redemption, Purchase and Cancellation - Optional redemption for clean-up call*), Condition 8.4 (*Redemption, Purchase and Cancellation –*

Time Call Option) or Condition 8.5 (*Redemption, Purchase and Cancellation – Optional redemption for taxation reasons*) .

"**Pre-Trigger Interest Priority of Payments**" means the order of priority set out in Condition 6.1 (*Pre-Trigger Interest Priority of Payments*) pursuant to which the Interest Available Funds shall be applied prior to the delivery of a Trigger Notice.

"**Pre-Trigger Principal Priority of Payments**" means the order of priority set out in Condition 6.2 (*Pre-Trigger Principal Priority of Payments*) pursuant to which the Principal Available Funds shall be applied prior to the delivery of a Trigger Notice.

"**Prepayment**" means the prepayment of a Consumer Loan made by the relevant Debtor pursuant to the contractual provisions of the relevant Consumer Loan Agreement and the Consolidated Banking Act.

"**Prepayment Fees**" means the fee due to the Seller by any Debtor opting for a voluntary prepayment of the relevant Consumer Loan.

"**Previous Notes**" means collectively the asset backed notes issued by the Issuer in the context of the Previous Transactions.

"**Previous Securitisation 2015-1**" means the securitisation transaction whereby the following notes were issued by the Issuer on 9 October 2015: (i) the "€ 825,000,000 Class A-2015-1 Asset-Backed Variable Funding Fixed Rate Notes due October 2031", (ii) the "€ 65,000,000 Class B-2015-1 Asset-Backed Variable Funding Fixed Rate Notes due October 2031", and (iii) the "€ 110,000,000 Class C-2015-1 Asset Backed Variable Funding Notes due October 2031".

"**Previous Securitisation 2016-1**" means the securitisation transaction whereby the following notes were issued by the Issuer on 2 August 2016: (i) the "€ 1,066,000,000 Class A-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040", (ii) the "€ 32,500,000 Class B-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040", (iii) the "€ 45,500,000 Class C-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040", (iv) the "€ 65,000,000 Class D-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040", (v) the "€ 90,870,000 Class E-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040", and (vi) the "€ 130,000 Class F-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040".

"**Previous Securitisation 2018-1**" means the securitisation transaction whereby the following notes were issued by the Issuer on 27 April 2018: (i) the "€ 395,700,000 Class A-2018-1 Asset-Backed Floating Rate Notes due March 2037", and (ii) the "€ 82,750,000 Class B-2018-1 Asset-Backed Fixed Rate and Variable Return Notes due March 2037".

"**Previous Securitisation 2019-1**" means the securitisation transaction whereby the following notes were issued by the Issuer on 25 June 2019: (i) the "€525,400,000 Class A-2019-1 Asset-Backed Floating Rate Notes due July 2039", (ii) the "€ 18,000,000 Class B-2019-1 Asset-Backed Floating Rate Notes due July 2039", (iii) the "€ 45,100,000 Class C-2019-1 Asset-Backed Fixed Rate Notes due July 2039" and (iv) the "€ 12,000,000 Class D-2019-1 Asset-Backed Fixed Rate and Variable Return Notes due July 2039".

"**Previous Transactions**" means, collectively, the Previous Securitisation 2015-1, the Previous Securitisation 2016-1, the Previous Securitisation 2018-1 and the Previous Securitisation 2019-1.

"**Previous Transaction Documents**" means collectively the documents, deeds and agreements defined as "Transaction Documents" in the prospectus related to the Previous Transactions.

"**Principal Amount Outstanding**" means, on any given date:

(a) in relation to a Note, the nominal principal amount of such Note on the Issue Date, less the aggregate amount of all Principal Payments that have been made in respect of that Note up to any such given date; and

(b) in relation to a Class, the aggregate of the amount in paragraph (a) above in respect of all Notes outstanding in such class;

(c) in relation to the Notes outstanding at any time, the aggregate of the amounts set out in paragraph (a) in respect of all Notes outstanding, regardless of Class; and

(d) in relation to the Subordinated Loan, the aggregate of the Advances made up to such given date, less the aggregate amount of all principal repayments which have been made in respect to the Subordinated Loan up to any such given date.

"**Principal Available Funds**" means in respect of any Payment Date, the aggregate of the following amounts (without double counting):

(a) the Principal Components received by the Issuer in respect of the Receivables (other than Defaulted Receivables) comprised in the Aggregate Portfolio during the immediately preceding Collection Period;

(b) the available proceeds, other than the Revenue Eligible Investments Amount, deriving from the Eligible Investments (if any) made using funds from the Collection Account and the Set-Off Reserve Account (if any), following liquidation thereof on the immediately preceding Eligible Investments Maturity Date;

(c) the amounts allocated under items (ix) (*ninth*), (x) (*tenth*) and (xi) (*eleventh*) of the Pre-Trigger Interest Priority of Payments out of the Interest Available Funds;

(d) the amounts actually credited to and/or retained in, on the immediately preceding Payment Date, the Collection Account under items (i) (*first*) and (iii(B)) (*third(B)*of the Pre-Trigger Principal Priority of Payments, if any;

(e) payments made to the Issuer by the Seller pursuant to the Warranty and Indemnity Agreement during the immediately preceding Collection Period in respect of indemnities or damages for breach of representations or warranties;

(f) the principal component of the purchase price received by the Issuer in relation to the sale of any Receivables (other than Defaulted Receivables) made in accordance with the Master Transfer Agreement and the Warranty and Indemnity Agreement during the immediately preceding Collection Period;

(g) on the Calculation Date immediately preceding the Cancellation Date, the balance standing to the credit of the Expenses Account at such date;

(h) the Set-Off Reserve Required Amount (if any) in respect of such Payment Date; and

(i) in respect of the earlier of (i) the Final Maturity Date, (ii) the Payment Date on which there will be sufficient Issuer Available Funds (including the Cash Reserve) to redeem in full the Rated Notes, and (iii) the Payment Date following the delivery of a Trigger Notice, all amounts standing to the credit of the Cash Reserve Account.

"**Principal Component**" means the principal component of each Instalment (including the portion of such Instalment corresponding to the pro rata amount of the financed insurance premium).

"**Principal Deficiency Ledger**" means the principal deficiency ledger comprising the Class A Principal Deficiency Sub-Ledger, the Class B Principal Deficiency Sub-Ledger and the Class Z Principal Deficiency Sub-Ledger, maintained by the Computation Agent on behalf of the Issuer.

"**Principal Factor**" means, at any time and in respect of a Class of Notes, the fraction expressed as a decimal to the eight point of which the numerator is the aggregate Principal Amount Outstanding of the relevant Class of Notes at such time and the denominator is the aggregate Principal Amount Outstanding of the relevant Class of Notes upon issue.

"**Principal Paying Agent**" means CITIBANK N.A., LONDON BRANCH or any other entity acting as paying agent under the Securitisation from time to time.

"**Principal Payments**" has the meaning given in Condition 8.6 (*Redemption, Purchase and Cancellation - Principal Payment on the Notes, Redemption Amounts and Principal Amount Outstanding*).

"**Priority of Payments**" means, as the case may be, the Pre-Trigger Interest Priority of Payments, the Pre-Trigger Principal Priority of Payments and the Post-Trigger Priority of Payments.

"**Privacy Law**" means Legislative Decree no. 196 of 30 June 2003, as amended and/or supplemented from time to time.

"**Privacy Rules**" means, collectively, (a) the Privacy Law, (b) the GDPR, (c) the regulation (*provvedimento*) issued by the "*Autorità Garante per la protezione dei Dati Personali*" dated 18 January 2007, and (d) any other legislative act or provision of an administrative or regulatory nature, adopted by the Privacy Authority and/or other competent Authority, in force from time to time.

"**Prospectus**" means the prospectus prepared in connection with the issue of the Notes.

"**Prospectus Regulation**" means Regulation (EU) 2017/1129, as amended and/or supplemented from time to time.

"**Purchase Price**" the purchase price due by the Issuer to the Seller in respect of each Portfolio assigned and transferred pursuant to the Master Transfer Agreement.

"**Purchase Termination Event**" means any of the events described in schedule 3 (*Purchase Termination Events*) of the Master Transfer Agreement and Condition 15 (*Purchase Termination Events*).

"**Purchase Termination Notice**" means the notice served by the Servicer (with copy to the Seller, the Representative of the Noteholders, the Computation Agent and the Rating Agencies) upon the occurrence of a Purchase Termination Event, in accordance with the Master Transfer Agreement and with Condition 15 (*Purchase Termination Events*).

"**Quota Capital Account**" means the euro denominated account established in the name of the Issuer with Santander Consumer Bank for the deposit of the quota capital of the Issuer, or such other substitute account as may be opened in accordance with the Cash Allocation, Management and Payment Agreement.

"**Quotaholders**" means the quotaholders of the Issuer, being Stichting Po River and Stichting Turin, and Quotaholder means any of them.

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

"**Rated Notes**" means, collectively, the Class A Notes and the Class B Notes.

"**Rating Agencies**" means, collectively, DBRS and Fitch, and Rating Agency means any of them.

"**Receivables**" means all rights and claims of the Issuer arising out of or in connection with the Consumer Loan Agreements, including without limitation:

(a) all rights and claims in respect of the Outstanding Principal as at the relevant Valuation Date;

(b) all rights and claims in respect of the payment of interest (including default interest) accrued on the Consumer Loans and not collected up to the relevant Valuation Date (included);

(c) all rights and claims in respect of the payment of interest (including default interest) accruing on the Consumer Loans from the relevant Valuation Date (excluded);

(d) all rights and claims in respect of payments of any amount deriving from damages suffered, costs, expenses, Taxes and ancillary amounts due pursuant to the Consumer Loan Agreements;

(e) all rights and claims in respect of any Collateral Security relating to the relevant Consumer Loan Agreement;

(f) all rights and claims in respect of the Insurance Policies (excluding the *premia* relating to the Insurance Policies not financed by the Seller);

(g) for the avoidance of doubt, all rights and claims in respect of the Balloon Instalment once refinanced by and between the Seller and the Debtor; and

(h) for the avoidance of doubt, all rights and claims towards the relevant Dealer for the payment of the Balloon Instalment upon exercise of the relevant contractual option by the Debtor pursuant to the relevant VFG Balloon Auto Loan Agreement,

together with all privileges and priority rights (*diritti di prelazione*) provided for by law relating to Receivables, as well as, to the maximum extent and within the limits permitted by law, the Other Rights.

"**Recoveries**" means all amounts recovered in respect of the Defaulted Receivables, including penalties and insurance proceeds.

"**Regulation 13 August 2018**" means the regulation, regarding post-trading systems, issued by the Bank of Italy and the CONSOB on 13 August 2018, as amended and/or supplemented from time to time.

"**Regulatory Technical Standards**" means:

(i) the regulatory technical standards adopted by EBA or ESMA, as the case may be, pursuant to the EU Securitisation Regulation; or

(ii) the transitional regulatory technical standards applicable pursuant to article 43 of the EU Securitisation Regulation prior to the entry into force of the regulatory technical standards referred to in paragraph (i) above.

"**Relevant Day-Count Fraction**" means the Actual/360 day count convention that uses the actual number of days in a month and 360 days in a year for calculating interest payments.

"**Relevant Payment Date**" has the meaning ascribed to such term in the Master Transfer Agreement.

"**Remedy Period**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Renegotiation**" has the meaning ascribed to such term in the Servicing Agreement.

"**Reporting Entity**" means Santander Consumer Bank.

"**Representative of the Noteholders**" means Securitisation Services S.p.A. or any other entity acting as representative of the Noteholders under the Securitisation from time to time.

"**Request**" means the request for any Set-Off Reserve Advance under the Subordinated Loan.

"**Residual Recurring Costs**" means, with reference to any Consumer Loan which is subject to a Prepayment, the aggregate amount of interests and costs for the residual life of any such Consumer Loan which (i) are contractually due thereunder, (ii) the relevant Debtor is entitled not to pay as a result of the reduction of the aggregate cost of the financing being provided for by article 125-*sexies* of the Consolidated Banking Act; and (iii) may include Undue Amounts.

"**Retention Amount**" means an amount equal to € 30,000.

"**Re-Transfer**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Re-Transfer Option**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Re-Transfer Option Exercise Notice**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Re-Transfer Price**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Revenue Eligible Investments Amount**" means, as at each Eligible Investment Maturity Date, any interest or other remuneration on the Eligible Investments bought by or for the account of the

Issuer other than repayment of principal or repayment of the initial capital invested, as applicable, in respect of each Eligible Investment.

"**Revolving Period**" means the period commencing on the Issue Date and ending on the earlier of:

(a) the Payment Date falling in March 2022 (included); or

(b) the date on which a Purchase Termination Notice is served on the Issuer.

"**Rules of the Organisation of the Noteholders**" means the Rules of the Organisation of Noteholders attached as Exhibit 1 to the Terms and Conditions, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Santander Consumer Bank**" means Santander Consumer Bank S.p.A., a bank incorporated as joint stock company (*società per azioni*) organised under the laws of the Republic of Italy, registered with the companies register of Turin under no. 05634190010 and registered with the register of banks (*albo delle banche*) held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act under No. 5496, parent company of the "Gruppo Bancario Santander Consumer Bank", registered with the register of banking groups held by the Bank of Italy pursuant to article 64 of the Consolidated Banking Act under No. 3191.4, having its registered office at Corso Massimo d'Azeglio 33/E, 10126 Turin, Italy.

"**Santander Consumer Finance**" means Santander Consumer Finance, S.A., a banking entity incorporated under the laws of Spain, registered with the Banco de España (Bank of Spain) under No. 8236, having its registered offices at Boadilla del Monte, Madrid, 28660, Spain and Tax Identification Code A-28122570.

"**Scheduled Instalment Date**" means any date on which an Instalment is due.

"**Secured Amounts**" means all the amounts due, owing or payable by the Issuer, whether present or future, actual or contingent, to the Noteholders under the Notes and the Other Issuer Creditors pursuant to the relevant Transaction Documents.

"**Secured Creditors**" means the Noteholders and the Other Issuer Creditors.

"**Secured Obligations**" means all of the Issuer's obligations vis-à-vis the Secured Creditors under the Notes and the Transaction Documents.

"**Securities Act**" means the U.S. Securities Act of 1933, as amended and/or supplemented from time to time.

"**Securitisation**" means the securitisation of the Receivables made by the Issuer through the issuance of the Notes.

"**Securitisation Law**" means Italian Law no. 130 of 30 April 1999, as amended and/or supplemented from time to time.

"**Security**" means, the security interests created under the Security Documents and any other agreement entered into by the Issuer from time to time and granted as security to the Noteholders and/or the Other Issuer Creditors (or some of them) or to the Representative of the Noteholders on behalf of all or some of the Noteholders and/or the Other Issuer Creditors.

"**Security Documents**" means the Spanish Deed of Pledge.

"**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.

"**Seller**" means Santander Consumer Bank.

"**Seller's Claims**" means, collectively, the monetary claims that the Seller may have from time to time against the Issuer under the Master Transfer Agreement, the Servicing Agreement or the Warranty and Indemnity Agreement (other than for amounts that are expressed to be paid to the Seller outside the Priority of Payments).

"**Senior Noteholder**" means the Holder of a Senior Note and Senior Noteholders means all of them.

"**Senior Notes**" means the Class A Notes and Senior Note means any of them.

"**SEPA Direct Debit**" means the payment system defined in the Regulation (EU) no. 260/2012 of the European Parliament and of the Council of 14 March 2012 establishing technical and business requirements for credit transfers and direct debits in euro amending Regulation (EC) no. 924/2009.

"**Servicer**" means Santander Consumer Bank or any other entity acting as servicer pursuant to the Servicing Agreement from time to time.

"**Servicer Change of Control**" means the circumstance that the Servicer's Owner ceases to own, directly or indirectly, 100 per cent. of the share capital of Santander Consumer Bank acting as Servicer.

"**Servicer Report**" means the report delivered by the Servicer on each Servicer Report Date, in accordance with the provisions of the Servicing Agreement.

"**Servicer Report Date**" means the day falling 7 (seven) Business Days after the end of each Collection Period, provided that the first Servicer Report Date will be the 10th of June 2020.

"**Servicer Report Delivery Failure Event**" means the event which will have occurred upon the Servicer's failure to deliver the Servicer Report within three Business Days from the relevant Servicer Report Date; provided that such event will cease to be outstanding when the Servicer delivers the Servicer Report.

"**Servicer Termination Event**" means any termination event of the Servicer as provided for by the Servicing Agreement.

"**Servicer's Account Banks**" means the banks with which the Servicer has opened and holds the bank accounts into which the Debtors pay the sums due in respect of the Receivables comprised in the Aggregate Portfolio and Servicer Account Bank means any of them.

"**Servicer's Owner**" means the entity owning the entire share capital of Santander Consumer Bank, such entity being, as at the Issue Date, Santander Consumer Finance.

"**Servicer's Owner First Rating Event**" means the circumstance that the Servicer's Owner's long-term, unsecured and unsubordinated debt obligations ceases to be rated at least "BB" by Fitch.

"**Servicing Agreement**" means the servicing agreement entered into on 27 January 2020 between the Issuer and the Servicer, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Servicing Fee**" means the fee payable by the Issuer to the Servicer, in accordance with the terms of the Servicing Agreement.

"**Set-Off Required Ratings**" means, with respect to the Servicer's Owner, all the following ratings:

(i) a rating assigned to its long-term unsecured, unsubordinated and unguaranteed debt obligations of at least BBB by DBRS and BBB by Fitch; and

(ii) a rating assigned to its short-term unsecured, unsubordinated and unguaranteed debt obligations of at least F2 by Fitch,

or such other rating as acceptable to DBRS and Fitch from time to time.

"**Set-Off Reserve**" means the funds standing from time to time to the credit of the Set-Off Reserve Account (including any Eligible Investments made with such funds).

"**Set-Off Reserve Account**" means the Euro denominated account to be established in the name of the Issuer with an Eligible Institution into which the Set-Off Reserve shall be credited, in accordance with the Intercreditor Agreement and the Cash Allocation, Management and Payment Agreement.

"**Set-Off Reserve Advance**" means the advances of the Subordinated Loan to be made available by the Subordinated Loan Provider in favour of the Issuer following the occurrence of a Set-Off Reserve Trigger Event, and Set-Off Reserve Advances means all of them collectively.

"**Set-Off Reserve Available Amount**" means, in respect of each Payment Date, the funds standing to the credit of the Set-Off Reserve Account, less the Set-Off Reserve Excess Amount.

"**Set-Off Reserve Excess Amount**" means:

(a) in respect of any Payment Date up to (but excluding) (i) the Cancellation Date, (ii) the Payment Date following the service of a Trigger Notice or (iii) the Payment Date on which the Rated Notes will be redeemed in full, an amount equal to the amount (if positive) resulting from the following formula: A – B – C,

where

"A" means the Set-Off Reserve as at the relevant Calculation Date;

"B" means the relevant Aggregate Set-Off Loss (if any) calculated on the relevant Calculation Date; and

"C" means the Target Set-Off Reserve Amount as of the relevant Calculation Date; or

(b) in respect of any Payment Date starting from (and including) (i) the Cancellation Date, (ii) the Payment Date following the service of a Trigger Notice or (iii) the Payment Date on which the Rated Notes will be redeemed in full, the Set-Off Reserve as at the relevant Calculation Date.

"**Set-Off Reserve Required Amount**" means:

(a) in respect of any Payment Date up to (but excluding) (i) the Cancellation Date, (ii) the Payment Date following the service of a Trigger Notice or (iii) the Payment Date on which the Rated Notes will be redeemed in full, an amount equal to the lower of (A) the Set-Off Reserve Available Amount in respect of such Payment Date and (B) the relevant Aggregate Set-Off Loss (if any); and

(b) in respect of any Payment Date starting from (and including) (i) the Cancellation Date, (ii) the Payment Date following the service of a Trigger Notice or (iii) the Payment Date on which the Rated Notes will be redeemed in full, the Set-Off Reserve Available Amount.

"**Set-Off Reserve Top-Up Event**" means each event which will have occurred each time the Target Set-Off Reserve Amount has become greater than the Target Set-Off Reserve Amount as at the previous Payment Date, as a result of the purchase of any Subsequent Portfolio by the Issuer or for whatever other reasons (including new deposits being made by Debtors) and the consequent increase of the Net Exposure of the Aggregate Portfolio.

"**Set-Off Reserve Trigger Event**" means, at any given time, the occurrence, concurrently, of both the following events: (a) the Target Set-Off Reserve Amount is higher than zero; and (b) (i) the Servicer's Owner ceases to have any of the Set-Off Required Ratings or any of such ratings has been withdrawn; or (ii) the Servicer's Owner ceases to own, directly or indirectly, 100 per cent. of the share capital of Santander Consumer Bank.

"**Set-Off Reserve Trigger Notice**" means the notice in respect of a Set-Off Reserve Trigger Event, to be delivered promptly following the occurrence of such event, by the Servicer (or, failing that, by the Representative of the Noteholders), to the Issuer in accordance with the Cash Allocation, Management and Payment Agreement.

"**Settlement**" has the meaning ascribed to such term in the Servicing Agreement.

"**Spanish Account Bank**" means Banco Santander or any other entity, being an Eligible Institution, acting as Spanish account bank under the Securitisation from time to time.

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

"**Stichting Po River**" means Stichting Po River, a Dutch foundation established under the laws of The Netherlands, having its registered office at Barbara Strozzilaan 101, 1083 HN Amsterdam, The Netherlands.

"**Stichting Turin**" means Stichting Turin, a Dutch foundation established under the laws of The Netherlands having its registered office at Barbara Strozzilaan 101, 1083 HN Amsterdam, The Netherlands.

"**Stichtingen**" means Stichting Po River and Stichting Turin, collectively, and Quotaholder means any of them.

"**Stichtingen Corporate Services Agreement**" means the stichtingen corporate services agreement

entered into on or about the Issue Date between the Issuer, the Quotaholders and the Stichtingen Corporate Services Provider, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Stichtingen Corporate Services Provider**" means Wilmington Trust or any other entity acting as stichtingen corporate services provider under the Securitisation from time to time.

"**Subordinated Loan**" means the limited recourse loan granted to the Issuer by the Subordinated Loan Provider pursuant to the Subordinated Loan Agreement.

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

"**Subordinated Loan Provider**" means Santander Consumer Bank or any other entity acting as subordinated loan provider under the Securitisation from time to time.

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

"**Subsequent Portfolio**" means each portfolio of Receivables assigned and transferred by the Seller to the Issuer after the sale of the Initial Portfolio, pursuant to the Master Transfer Agreement, and Subsequent Portfolios means all of them.

"**Subsequent Portfolio Transfer Acceptance**" means the acceptance of a Subsequent Portfolio Transfer Proposal to be executed in accordance with the Master Transfer Agreement.

"**Subsequent Portfolio Transfer Proposal**" means the transfer proposal to be executed in relation to the transfer of a Subsequent Portfolio, in the form attached as schedule 4 (*Form of Transfer Proposal*) to the Master Transfer Agreement.

"**Subsequent Valuation Date**" means, during the Revolving Period, the date indicated as such in the relevant Transfer Agreement.

"**Substitute Servicer**" means any substitute servicer appointed by the Issuer in accordance with the provisions of the Servicing Agreement.

"**Summary Report**" means the report to be prepared and delivered by the Seller in the form attached as annex B to the Transfer Proposal.

"**Surveillance Report**" means the report prepared by the Rating Agencies related to the Senior Notes required by the European Central Bank and/or the documentation of the European Central Bank on monetary policy instruments and procedures of the Eurosystem.

"**T.A.N.**"means, in respect of each Consumer Loan, the annual nominal rate of return (*tasso nominale annuo*).

"**Target Cash Reserve Amount**" means:

(a) in respect of the Issue Date, an amount equal to €8,500,000 (such amount, the "**Cash Reserve Advance**"); and

(b) in respect of each Payment Date, an amount, calculated pursuant to the Cash Allocation, Management and Payment Agreement, equal to 1.25 per cent. of the aggregate Principal Amount Outstanding of the Rated Notes as at the immediately preceding Payment Date provided that such amount cannot be lower than an amount equal to 0.15 per cent. of the aggregate Principal Amount Outstanding of the Rated Notes as at Issue Date,

provided that on the earlier of (i) the Final Maturity Date, (ii) the Payment Date on which there will be sufficient Issuer Available Funds (including the Cash Reserve) to redeem in full the Rated Notes, and (iii) the Payment Date following the delivery of a Trigger Notice, the Target Cash Reserve Amount will be reduced to 0 (zero).

"**Target Set-Off Reserve Amount**" means, in respect of any given date, an amount calculated pursuant to the Cash Allocation, Management and Payment Agreement, equal to (i) the difference (if positive) between the Net Exposure of the Aggregate Portfolio as of such date and (ii) 0.4 per cent. of the Outstanding Principal of the Aggregate Portfolio as of such date, provided that following the earlier of (i) the Cancellation Date, (ii) the Payment Date on which the Rated Notes will be redeemed in full, and (iii) the Payment Date following the delivery of a Trigger Notice, the Target Set-Off Reserve Amount will be reduced to 0 (zero).

"**Tax**" means 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 sub division thereof or any authority thereof or therein.

"**Tax Call Event**" means, upon occurrence of a change in tax law (or the application or official interpretation thereof) which becomes effective on or after the Issue Date, any of the following events:

(a) the assets of the Issuer in respect of the Securitisation (including the Receivables, the Collections and the other material Issuer's Rights) becoming subject to taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or by any political sub-division thereof or by any authority thereof or therein or by any applicable taxing authority having jurisdiction; or

(b) either the Issuer or any paying agent appointed in respect of the Notes or any custodian of the Notes being required to deduct or withhold any amount (other than in respect of a Decree 239 Deduction) in respect of the Notes, from any payment of principal or interest on or after such Payment Date 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 by any political sub-division thereof or by any authority thereof or therein or by any other applicable taxing authority having jurisdiction and provided that such deduction or withholding may not be avoided by appointing a replacement paying agent or custodian in respect of the Notes before the Payment Date following a change in law or the interpretation or administration thereof; or

(c) any amounts of interest payable to the Issuer in respect of the Consumer Loans being

required to be deducted or withheld from the Issuer 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 by any political subdivision thereof or by any authority thereof or therein or by any other applicable taxing authority having jurisdiction.

"**Tax Redemption Notice**" means the notice delivered by the Issuer upon the occurrence of a Tax Call Event, in accordance with Condition 8.5 (*Redemption for taxation reasons*).

"**Terms and Conditions**" or "**Conditions**" means the terms and conditions of the Notes.

"**Transaction Documents**" means the Master Transfer Agreement, the Transfer Agreements, the Subscription Agreement, the Warranty and Indemnity Agreement, the Servicing Agreement, the Subordinated Loan Agreement, the Corporate Services Agreement, the Stichtingen Corporate Services Agreement, the Quotaholders Agreement, the Cash Allocation, Management and Payment Agreement, the Monte Titoli Mandate Agreement, the Intercreditor Agreement, the Spanish Deed of Pledge, the Mandate Agreement, the Master Definitions Agreement, the Terms and Conditions, the Prospectus and any other deed, act, document or agreement executed in the context of the Securitisation.

"**Transfer Acceptance**" has the meaning ascribed to such term in the Master Transfer Agreement.

"**Transfer Agreements**" means each transfer agreement executed by the Issuer and the Seller in connection with the purchase of each Subsequent Portfolio in accordance with the provisions of the Master Transfer Agreement.

"**Transfer Date**" means (i) in relation to the Initial Portfolio, the Initial Transfer Date; or (ii) in relation to any Subsequent Portfolio, the date of acceptance of the relevant Subsequent Portfolio Transfer Proposal by the Issuer.

"**Transfer Limits**" means the limits which each Subsequent Portfolio shall comply with as at the relevant Offer Date pursuant to the Master Transfer Agreement.

"**Transfer Proposal**" has the meaning ascribed to such term in the Master Transfer Agreement.

"**Trigger Event**" means any of the events described in Condition 13 (*Trigger Events*).

"**Trigger Notice**" means the notice served by the Representative of the Noteholders upon the occurrence of a Trigger Event, in accordance with Condition 13 (*Trigger Events*).

"**Undue Amounts**" means the portion of the upfront fees and expenses paid by the Debtor upon execution of the relevant Consumer Loan Agreement which, in case of Prepayment, are considered Residual Recurring Costs and that, as such, are to be reimbursed to the relevant Debtor and may therefore be deducted from the final amount otherwise due and payable by the Debtor upon Prepayment.

"**Unpaid Instalment**" means, in respect of any given date and the Consumer Loans, an Instalment which, as at such date, is past due but not fully paid, and remains such for at least one calendar month following the date on which it should have been paid, under the terms of the relevant Consumer Loan.

"**Usury Law**" means, collectively, Italian Law No. 108 of 7 March 1996, as amended and/or

supplemented from time to time, and Italian Law No. 24 of 28 February 2001, which converted into law the Law Decree no. 394 of 29 December 2000.

"**Valuation Date**" means, in respect of the Initial Portfolio, the Initial Valuation Date and, in respect of each Subsequent Portfolio, the Subsequent Valuation Date.

"**Variable Return**" means, in relation to the Junior Notes, on each Payment Date, an amount equal to any Issuer Available Funds remaining after making all payments due under items from (i) (First) to (xvii) (*seventeenth*) (inclusive) of the Pre-Trigger Interest Priority of Payments, from (i) (First) to (viii) (*eighth*) (inclusive) of the Pre-Trigger Principal Priority of Payments or from (i) (First) to (xiv) (*fourteenth*) (inclusive) of the Post-Trigger Priority of Payments, as the case may be.

"**Vehicles**" means cars and/or motorbikes registered in Italy as at the date of execution of the relevant Consumer Loan Agreement.

"**VFG Balloon Auto Loan Agreement**" means a Consumer Loan Agreement whereby the relevant Consumer Loan amortises over the life of the Consumer Loan Agreement in substantially equal monthly Instalments and a final larger balloon instalment (the latter, the Balloon Instalment).

"**Volcker Rule**" means Section 619 of the Dodd-Frank Act.

"**Warranty and Indemnity Agreement**" means the warranty and indemnity agreement entered into on 27 January 2020 between the Seller and the Issuer as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Weighted Average TAN**" means, on each Offer Date with reference to all the Receivables comprised in the Collateral Aggregate Portfolio (including the Subsequent Portfolio offered for sale), the aggregate of the weighted annual nominal interest rate of each Receivable calculated as follows:

(a) the annual nominal interest rate applicable to the relevant Receivable pursuant to the relevant Consumer Loan Agreement; multiplied by

(b) the Outstanding Principal, as at the Collection End Date immediately preceding the relevant Offer Date (or, in respect of each Receivable comprised in the Subsequent Portfolio offered for sale, as at the relevant Valuation Date), of such Receivable,

divided by the aggregate of (i) the Outstanding Principal, as at the Collection End Date immediately preceding the relevant Offer Date, of all the Receivables comprised in the Collateral Aggregate Portfolio already transferred to the Issuer, and (ii) the Outstanding Principal, as at the relevant Valuation Date, of all the Receivables comprised in the Subsequent Portfolio/s offered for sale.

"**Wilmington Trust**" means Wilmington Trust SP Services (London) limited, a private limited liability company incorporated under the laws of England, having its registered office at Third Floor, 1 King's Arms Yard London EC2R 7AF, United Kingdom.

"**Written Resolution**" means a resolution in writing signed by or on behalf of all holders of Notes who for the time being are entitled to participate to a Meeting in accordance with the Rules of the Organisation of Noteholders, whether contained in one document or several documents in the same form, each signed by or on behalf of such holders of Notes.

3. FORM, DENOMINATION AND TITLE

3.1 *Form*

The Notes are in bearer form (*al portatore*) and dematerialised (*emesse in forma dematerializzata*) on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli for the account of the relevant Monte Titoli Account Holders. Monte Titoli shall act as depository for Clearstream and Euroclear in accordance with article 83-*bis* of the Financial Laws Consolidated Act, through the authorised institutions listed in article 83-*quater* of such Financial Laws Consolidated Act.

3.2 *Title*

The Notes will be accepted for clearance by Monte Titoli with effect from the Issue Date. The Notes will at all times be in book entry form and title to the Notes will be evidenced by book entry in accordance with the provisions of (i) article 83-bis of the Financial Laws Consolidated Act; and (ii) Regulation 13 August 2018. No physical document of title will be issued in respect of the Notes.

3.3 *Denomination*

The Notes will be issued in the denomination of € 100,000 and integral multiples of € 1,000 in excess thereof.

3.4 *Rights arising from the Security Documents*

The rights arising from the Spanish Deed of Pledge are included in each Note.

3.5 *Holder Absolute Owner*

Except as ordered by a court of competent jurisdiction or as required by law, the Issuer, the Representative of the Noteholders, the Account Banks, and the Paying Agents may (to the fullest extent permitted by applicable laws) deem and treat the Monte Titoli Account Holder, whose account is at the relevant time credited with a Note, as the absolute owner of such Note for the purposes of payments to be made to the holder of such Note (whether or not the Note is overdue and notwithstanding any notice to the contrary, any notice of ownership or writing on the Note or any notice of any previous loss or theft of the Note) and shall not be liable for doing so.

4. STATUS, PRIORITY AND SEGREGATION

4.1 *Status*

The Notes constitute direct and limited recourse obligations solely of the Issuer backed by the Aggregate Portfolio. In particular, the Notes will not be obligations or responsibilities of, or guaranteed by, any person except the Issuer and no person other than the Issuer shall be liable in respect of any failure by the Issuer to make payment of any amount due on the Notes. Accordingly, the obligation of the Issuer to make payments under the Notes is limited to the Issuer Available Funds available to make such payments in accordance with the applicable Priority of Payments and Condition 9 (*Non Petition and Limited Recourse*). By holding the Notes, 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 of article 1469 of the Italian Civil Code.

4.2 *Segregation*

4.2.1 By virtue of the operation of Article 3 of the Securitisation Law and the Transaction Documents, the Issuer's rights, title and interest in and to the Aggregate Portfolio, any monetary claim accrued by the Issuer in the context of the Securitisation, the relevant

collections and the financial assets purchased through such collections will be segregated from all other assets of the Issuer (including any other receivables purchased by the Issuer pursuant to the Securitisation Law). Therefore, any cash-flow deriving therefrom (to the extent identifiable) will be exclusively available, both prior to and following a winding up of the Issuer, to satisfy the obligations of the Issuer to the Noteholders, to the Other Issuer Creditors and to any other creditors of the Issuer in respect of any costs, fees and expenses in relation to the Securitisation. The Aggregate Portfolio, any monetary claim accrued by the Issuer in the context of the Securitisation, the relevant collections and the financial assets purchased through such collections may not be seized or attached in any form by creditors of the Issuer other than the Noteholders, until full discharge by the Issuer of its payment obligations under the Notes or cancellation of the Notes. Pursuant to the terms of the Intercreditor Agreement and the Mandate Agreement, the Issuer has empowered the Representative of the Noteholders, following the service of a Trigger Notice or upon failure by the Issuer to promptly exercise its rights under the Transaction Documents, to exercise the Issuer's Rights, powers and discretion under the Transaction Documents taking such action in the name and on behalf of the Issuer as the Representative of the Noteholders may deem necessary to protect the interests of the Issuer, the Noteholders and the Other Issuer Creditors in respect of the Aggregate Portfolio and the Issuer's Rights. Italian law governs the delegation of such power.

4.2.2 In addition, security over certain monetary rights of the Issuer arising out of certain Transaction Documents and Accounts has been granted by the Issuer in favour of the Representative of the Noteholders pursuant to the Spanish Deed of Pledge for the benefit of the Noteholders and the Other Issuer Creditors.

4.3 *Priority*

4.3.1 In respect of the obligation of the Issuer to pay interest on the Notes before the service of a Trigger Notice:

(i) the Class A Notes will rank *pari passu* and pro rata without preference or priority amongst themselves and in priority to the Class B Notes and the Class Z Notes;

(ii) the Class B Notes will rank *pari passu* and pro rata without preference or priority amongst themselves, in priority to the Class Z Notes but subordinated to the Class A Notes, and

(iii) the Class Z Notes will rank pari passu and pro rata without preference or priority amongst themselves, but subordinated to the Class A Notes and the Class B Notes.

4.3.2 In respect of the obligation of the Issuer to repay principal on the Notes before the service of a Trigger Notice:

(i) the Class A Notes will rank *pari passu* and pro rata without preference or priority amongst themselves and in priority to the Class B Notes and the Class Z Notes;

(ii) the Class B Notes will rank pari passu and pro rata without preference or priority amongst themselves, in priority to the Class Z Notes but subordinated to the Class A Notes, and

(iii) the Class Z Notes will rank pari passu and pro rata without preference or priority amongst themselves, but subordinated to the Class A Notes and the Class B Notes.

4.3.3 In respect of the obligation of the Issuer to pay interest and repay principal on the Notes after the service of a Trigger Notice:

(i) the Class A Notes will rank *pari passu* and pro rata without preference or priority amongst themselves and in priority to the Class B Notes and the Class Z Notes;

(ii) the Class B Notes will rank pari passu and pro rata without preference or priority amongst themselves, in priority to the Class Z Notes but subordinated to the Class A Notes, and

(iii) the Class Z Notes will rank pari passu and pro rata without preference or priority amongst themselves, but subordinated to the Class A Notes and the Class B Notes.

4.4 *Conflict of interest*

The Intercreditor Agreement and the Rules of the Organisation of the Noteholders contain provisions regarding the protection of the respective interests of all Noteholders in connection with the exercise of the powers, authorities, rights, duties and discretions of the Representative of the Noteholders under or in relation to the Notes or any of the Transaction Documents. If, however, in the opinion of the Representative of the Noteholders, there is a conflict between interests of different Classes of Noteholders, then the Representative of the Noteholders is required to have regard to the interests of the Most Senior Class of Noteholders only.

5. COVENANTS

5.1 *Covenants by the Issuer*

For so long as any Note remains outstanding, the Issuer, save with the prior written consent of the Representative of the Noteholders or as provided in or envisaged by these Terms and Conditions or any of the Transaction Documents, shall not, nor shall cause or permit (to the extent permitted by Italian law), shareholders' meetings to be convened in order to:

(i) *Negative pledge:* create or permit to subsist any Security Interest (save for any Security Interest created in connection with the Previous Securitisations and any Further Securitisation and to the extent that such Security Interest is created over assets which form part of the segregated assets of such Previous Securitisations or Further Securitisation) whatsoever upon, or with respect to the Receivables, or any part thereof or any of its present or future business, undertaking, assets or revenues relating to the Securitisation or undertakings (other than under the Note Security); or

(ii) *Restrictions on activities:*

(A) without prejudice to Condition 5.2 *(Further securitisations and corporate existence)*, 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 in; or

(B) have any subsidiary *(società controllata)* or affiliate company *(società collegata)* (as defined in article 2359 of the Italian Civil Code) or any employees or premises; or

(iii) *Disposal of assets:* without prejudice to Condition 5.2 *(Further securitisations and corporate existence)*, transfer, sell, lend, part with or otherwise dispose of or deal with or grant any option over or any present or future right to acquire all or any part of the Receivables, or any part thereof or any of its present or future business, undertaking, assets or revenues relating to the Securitisation, whether in one transaction or in a series of transactions; or

(iv) *Dividends or distributions:* pay any dividend or make any other distribution or return or repay any equity capital to its shareholder or increase its equity capital; or

(v) *De-registrations*: ask for de-registration from the register of the special purpose vehicles held by Bank of Italy to the extent any applicable law or regulation requires an issuer of notes issued under the Securitisation Law or companies incorporated pursuant to the Securitisation Law to be registered therein; or

(vi) *Borrowings or derivatives:* without prejudice to Condition 5.2 *(Further securitisations and corporate existence)*, incur any indebtedness in respect of borrowed money whatsoever (save for any indebtedness already incurred in relation to the Previous Securitisations or to be incurred in relation to any Further Securitisation), enter into any derivative transactions or give any guarantee in respect of any indebtedness or derivative transactions or of any obligation of any person; or

(vii) *Merger:* consolidate or merge with any other person or convey or transfer any of its properties or assets substantially as an entirety to any other person; or

(viii) *Waiver or consent:*

(a) permit any of the Transaction Documents to which it is a party to become invalid or ineffective or the priority of the Note Security created thereby to be reduced, amended, terminated or discharged; or

(b) consent to any variation or novation of, or exercise any powers of consent or waiver pursuant to, the terms of any of the Transaction Documents to which it is a party; or

(c) permit any party to any of the Transaction Documents to which it is a party, or any other person whose obligations form part of the Note Security, to be released from its respective obligations or to dispose of any part of the Note Security, save as envisaged by the Transaction Documents to which it is a party; or

(ix) *Bank accounts:* with the exception of the Quota Capital Account and such other accounts that the Issuer may have opened in the context of the Previous Securitisations or may open in the future in the context of any securitisation transactions other than the Securitisation and without prejudice to Condition 5.2 *(Further securitisations and corporate existence)*, have an interest in any bank account other than the Accounts, unless such account is opened in an EU Member State and is pledged, charged or ring-fenced, by operation of law or otherwise, in favour of the Noteholders and the Other Issuer Creditors on terms acceptable to the Representative of the Noteholders; or

(x) *Statutory documents:* amend, supplement or otherwise modify its by-laws *(statuto)*, except where such amendment, supplement or modification is required by any compulsory provision of Italian law or by competent regulatory authorities; or

(xi) *Corporate records, financial statements and books of account:* permit or consent to any of the following occurring:

(a) its books and records being maintained with or co-mingled with those of any other person or entity; or

(b) its bank accounts and the debts represented thereby being co-mingled with those of any other person or entity; or

(c) its books and records (if any) relating to the Securitisation being maintained with or co-mingled with those relating to any other securitisation transaction perfected by the Issuer; or

(d) its assets or revenues being co-mingled with those of any other person or entity;

and, in addition and without limitation to the above, the Issuer shall or shall procure that,

with respect to itself:

(1) separate financial statements in relation to its financial affairs are maintained;

(2) all corporate formalities with respect to its affairs are observed;

(3) separate stationery, invoices and cheques are used;

(4) it always holds itself out as a separate entity; and

(5) any known misunderstandings regarding its separate identity are corrected as soon as possible; or

(xii) *Residency and centre of main interests:* do any act or thing, the effect of which would be to make the Issuer resident for tax purposes in any jurisdiction other than the Republic of Italy or cease to be managed and administered in the Republic of Italy or cease to have its centre of main interests in the Republic of Italy; or

(xiii) *Compliance with corporate formalities:* cease to comply with all necessary corporate formalities.

5.2 *Further Securitisations and corporate existence*

5.2.1 Nothing in these Terms and Conditions or the Transaction Documents shall prevent or restrict the Issuer from:

(i) acquiring or financing, pursuant to article 7 of the Securitisation Law, by way of separate transactions unrelated to the Securitisation, further portfolios of monetary claims in addition to the Receivables either from the Seller or from any other entity (the "**Further Portfolios**") or entering into one or more bridge loans for the purposes of purchasing Further Portfolios;

(ii) securitising such Further Portfolios (each, a "**Further Securitisation**") through the issue of further debt securities additional to the Notes (the "**Further Notes**"); and

(iii) entering into agreements and transactions, with the Seller or any other entity, that are incidental to or necessary in connection with such Further Securitisation, including, *inter alia*, the ring-fencing or the granting of security over such Further Portfolios and any right, benefit, agreement, instrument, document or other asset of the Issuer relating thereto to secure such Further Notes (the "**Further Security**"),

provided that:

(A) the Issuer confirms in writing to the Representative of the Noteholders that such Further Security does not comprise or extend over any of the Receivables or any of the other Issuer's Rights;

(B) the Issuer confirms in writing to the Representative of the Noteholders that the terms and conditions of the Further Notes contain provisions to the effect that the obligations of the Issuer whether in respect of interest, principal, premium or other amounts in respect of such Further Notes, are limited recourse obligations of the Issuer limited to some or all of the assets comprised in such Further Security;

(C) the Issuer confirms in writing to the Representative of the Noteholders that each party to such Further Securitisation agrees and acknowledges that the obligations of the Issuer to such party in connection with such Further Securitisation are limited recourse obligations of the Issuer, limited to some or all of the assets comprised in

such Further Security and that each creditor in respect of such Further Securitisation or the representative of the holders of such Further Notes has agreed to limitations on its ability to take action against the Issuer, including in respect of insolvency proceedings relating to the Issuer, on terms in all significant respects equivalent to those contained in the Intercreditor Agreement;

(D) the Rating Agencies are notified thereof;

(E) the Issuer confirms in writing to the Representative of the Noteholders that the actions provided for by paragraph (D) above have been performed and that the terms and conditions of such Further Notes will include:

(I) covenants by the Issuer in all significant respects equivalent to those covenants provided in paragraphs (A) to (D) above; and

(II) provisions which are the same as or, in the sole discretion of the Representative of the Noteholders, equivalent to this proviso; and

(F) the Representative of the Noteholders is satisfied that conditions (A) to (E) of this proviso have been satisfied.

In confirming that conditions (A) to (E) of this proviso have been satisfied, the Representative of the Noteholders may require the Issuer to make such modifications or additions to the provisions of any of the Transaction Documents (as may itself consent thereto on behalf of the Noteholders) or may impose such other conditions or requirements as the Representative of the Noteholders may deem expedient (in its absolute discretion) in the interests of the holders of the Notes and may rely on any written confirmation from the Issuer as to the matters contained therein.

5.2.2 None of the covenants in Condition 5.1 *(Covenants by the Issuer)* shall prohibit the Issuer from (i) carrying out any activity which is incidental to maintaining its corporate existence and complying with laws and regulations applicable to or (ii) performing its obligations under the Previous Transactions Documents in accordance with their terms.

6. PRIORITY OF PAYMENTS

6.1 *Pre-Trigger Interest Priority of Payments*

Prior to the service of a Trigger Notice, the Interest Available Funds, as calculated on each Calculation Date, will be applied by the Issuer on the Payment Date immediately following such Calculation Date in making payments or provisions in the following order of priority but, in each case, only if and to the extent that payments or provisions of a higher priority have been made in full:

(i) *first*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of any and all outstanding taxes due and payable by the Issuer in relation to this Securitisation (to the extent that *amounts* standing to the credit of the Expenses Account are insufficient to pay such costs and to the extent not already paid by Santander Consumer Bank under the Transaction Documents);

(ii) *second*, in or *towards* satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of:

(A) any and all outstanding fees, costs, liabilities and any other expenses to be paid in order to preserve the corporate existence of the Issuer, to maintain it in good standing, to comply with applicable legislation and to fulfil obligations to third parties (not being Other Issuer Creditors) incurred in the course of the Issuer's

business in relation to this Securitisation (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such fees, costs, liabilities and expenses and to the extent not already paid by Santander Consumer Bank under the Transaction Documents);

(B) any and all outstanding fees, costs, liabilities, expenses and taxes required to be paid in connection with the listing, deposit or ratings of the Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such fees, costs, liabilities, expenses and taxes and to the extent not already paid by Santander Consumer Bank under the Transaction Documents);

(C) any and all outstanding fees, costs and expenses of and all other amounts due and payable to the Representative of the Noteholders or any appointee thereof;

(D) the amount necessary to replenish the Expenses Account up to the Retention Amount; and

(E) in or towards returning to the Seller an amount equal to the positive difference between (A) the Outstanding Principal of the any individual Defaulted Receivable repurchased by the Seller during any preceding Collection Period pursuant to the Master Transfer Agreement, and (B) the Final Determined Amount of such Defaulted Receivable;

(iii) *third*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of any and all outstanding fees, costs and expenses of any and all other amounts due and payable to the Paying Agents, the Computation Agent, the Corporate Services Provider, the Stichtingen Corporate Services Provider, the Account Banks, the Custodian Bank (if appointed) and any further Other Issuer Creditors, each pursuant to the terms of the Transaction Document(s) (save as otherwise provided under other items of this priority of payments);

(iv) *fourth*, in or towards satisfaction, *pari passu* and *pro rata* according to the respective amounts thereof, of all fees, costs and expenses of, and all other amounts due and payable to, the Servicer, other than the amounts due to the Servicer in respect of the insurance *premia*, if any, advanced by the Servicer under the terms of the Servicing Agreement;

(v) *fifth*, in or towards satisfaction, *pro rata* and *pari passu*, of all amounts of interest due and payable on the Class A Notes;

(vi) *sixth*, in or towards satisfaction, *pro rata* and *pari passu*, of all amounts of interest due and payable on the Class B Notes;

(vii) *seventh*, if a Servicer Report Delivery Failure Event has occurred and is still outstanding as of the 3rd (third) Business Day prior to such Payment Date, to credit to or retain in, as the case may be, all amounts to the Collection Account;

(viii) *eighth*, to credit the Cash Reserve Account with the amount required such that the Cash Reserve equals the Target Cash Reserve Amount;

(ix) *ninth*, in or towards reduction of the Class A Principal Deficiency Sub-Ledger to 0 (zero) by allocating the relevant amounts to the Principal Available Funds;

(x) *tenth*, in or towards reduction of the Class B Principal Deficiency Sub-Ledger to 0 (zero) by allocating the relevant amounts to the Principal Available Funds;

(xi) *eleventh*, in or towards reduction of the Class Z Principal Deficiency Sub-Ledger to 0 (zero)

by allocating the relevant amounts to the Principal Available Funds;

(xii) *twelfth*, after the delivery of a Set-Off Reserve Trigger Notice, to credit the Set-Off Reserve Account with the amount required such that the Set-Off Reserve equals the Target Set-Off Reserve Amount;

(xiii) *thirteenth*, in or towards satisfaction of all amounts due and payable to the Initial Subscriber under the terms of the Subscription Agreement;

(xiv) *fourteenth*, in or towards satisfaction of all amounts of interest due and payable to the Subordinated Loan Provider under the terms of the Subordinated Loan Agreement;

(xv) *fifteenth*, in or towards satisfaction of all amounts of principal due and payable to the Subordinated Loan Provider under the terms of the Subordinated Loan Agreement;

(xvi) *sixteenth*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of all amounts due and payable to Santander Consumer Bank in respect of the Seller's Claims (if any);

(xvii) *seventeenth*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of any and all outstanding fees, costs, liabilities and any other expenses to be paid to fulfil obligations to any Other Issuer Creditor incurred in the course of the Issuer's business in relation to this Securitisation (other than amounts already provided for in this Pre-Trigger Interest Priority of Payments);

(xviii) *eighteenth*, in or towards satisfaction of the Variable Return (if any) on the Class Z Notes.

6.2 *Pre-Trigger Principal Priority of Payments*

Prior to the service of a Trigger Notice, the Principal Available Funds, as calculated on each Calculation Date, will be applied by the Issuer on the Payment Date immediately following such Calculation Date in making payment or provision in the following order of priority but, in each case, only if and to the extent that payments or provisions of a higher priority have been made in full:

(i) *first*, if a Servicer Report Delivery Failure Event has occurred and is still outstanding as of the third Business Day prior to such Payment Date, to credit all the Principal Available Funds to, or retain in, the Collection Account;

(ii) *second*, in or towards provision of the Interest Available Funds, to pay all the amounts due under items (i) to (vi) (included) of the Pre-Trigger Interest Priority of Payments, to the extent not paid under the Pre-Trigger Interest Priority of Payments as a consequence of the applicable Interest Available Funds (net of letter (j)) being not sufficient to that end;

(iii) *third*, during the Revolving Period

(A) in or towards payment to the Seller of the amount due as Purchase Price in respect of the Subsequent Portfolios purchased under the Master Transfer Agreement; and

(B) thereafter, to credit to and/or retain the remainder of the Principal Available Funds in the Collection Account;

(iv) *fourth*, during the Amortising Period, in or towards repayment, *pro rata* and *pari passu*, of the Principal Amount Outstanding of the Class A Notes until the Class A Notes are repaid in full;

(v) *fifth*, during the Amortising Period, upon repayment in full of the Class A Notes, in or

towards repayment, *pro rata* and *pari passu*, of the Principal Amount Outstanding of the Class B Notes until the Class B Notes are repaid in full;

(vi) *sixth*, in or towards satisfaction of all amounts due and payable to the Initial Subscriber under the terms of the Subscription Agreement, to the extent not paid under item (xiii) of the Pre-Trigger Interest Priority of Payments;

(vii) *seventh*, in or towards satisfaction of all amounts of principal due and payable to the Subordinated Loan Provider under the Subordinated Loan Agreement, to the extent not paid under item (xv) of the Pre-Trigger Interest Priority of Payments;

(viii) *eighth*, during the Amortising Period, upon repayment in full of the Class A Notes and the Class B Notes, in or towards repayment, *pro rata* and *pari passu*, of the Principal Amount Outstanding of the Class Z Notes until such Class Z Notes are repaid in full; and

(ix) *ninth*, in or towards satisfaction of the Variable Return (if any) on the Class Z Notes.

6.3 *Post-Trigger Priority of Payments*

Following the service of a Trigger Notice or, in case of redemption as at the Final Maturity Date in accordance with Condition 8.1.1 or, in the event that the Issuer opts for the early redemption of the Notes issued under the Securitisation under Condition 8.3 (*Redemption, Purchase and Cancellation - Optional redemption for clean-up call*), Condition 8.4 (*Redemption, Purchase and Cancellation – Time Call Option*) or Condition 8.5 (*Redemption, Purchase and Cancellation – Optional redemption for taxation reasons*), the Issuer Available Funds, as calculated on each Calculation Date, will be applied by or on behalf of the Representative of the Noteholders on the Payment Date immediately following such Calculation Date in making payments or provisions in the following order of priority but, in each case, only if and to the extent that payments of a higher priority have been made in full:

(i) *first*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of any and all outstanding taxes due and payable by the Issuer in relation to this Securitisation (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such costs and to the extent not already paid by Santander Consumer Bank under the Transaction Documents);

(ii) *second*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of:

(A) any and all outstanding fees, costs, liabilities and any other expenses to be paid in order to preserve the corporate existence of the Issuer, to maintain it in good standing, to comply with applicable legislation and to fulfil obligations to third parties (not being Other Issuer Creditors) incurred in the course of the Issuer's business in relation to this Securitisation (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such fees, costs liabilities and expenses and to the extent not already paid by Santander Consumer Bank under the Transaction Documents);

(B) any and all outstanding fees, costs, liabilities, expenses and taxes required to be paid in connection with the listing, deposit or ratings of the Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents (to the extent that amounts standing to the credit of the Expenses Account are insufficient to pay such fees, costs, liabilities, expenses and taxes and to the extent

not already paid by Santander Consumer Bank under the Transaction Documents);

(C) any and all outstanding fees, costs and expenses of and all other amounts due and payable to the Representative of the Noteholders or any appointee thereof; and

(D) the amount necessary to replenish the Expenses Account up to the Retention Amount;

(iii) *third*, in or towards satisfaction, pro rata and *pari passu*, according to the respective amounts thereof, of any and all outstanding fees, costs and expenses of any and all other amounts due and payable to the Paying Agents, the Computation Agent, the Corporate Services Provider, the Stichtingen Corporate Services Provider, the Account Banks, the Servicer, the Custodian Bank (if appointed) and any further Other Issuer Creditors, each pursuant to the terms of the Transaction Document(s) (save as otherwise provided under other items of this priority of payments);

(iv) *fourth*, in or towards satisfaction, *pro rata* and *pari passu*, of all amounts due and payable in respect of interest (including any interest accrued but unpaid) on the Class A Notes at such date;

(v) *fifth*, in or towards repayment, *pro rata* and *pari passu*, of the Principal Amount Outstanding of the Class A Notes until the Class A Notes are repaid in full;

(vi) *sixth*, in or towards satisfaction, *pro rata* and *pari passu*, of all amounts due and payable in respect of interest (including any interest accrued but unpaid) on the Class B Notes at such date;

(vii) *seventh*, in or towards repayment, *pro rata* and *pari passu*, of the Principal Amount Outstanding of the Class B Notes until the Class B Notes are repaid in full;

(viii) *eighth*, in or towards satisfaction of all amounts due and payable to the Initial Subscriber under the terms of the Subscription Agreement;

(ix) *ninth*, in or towards satisfaction, *pro rata* and *pari passu*, according to the respective amounts thereof, of all amounts due and payable to Santander Consumer Bank in respect of the Seller's Claims (if any);

(x) *tenth*, in or towards satisfaction *pro rata* and *pari passu*, according to the respective amounts thereof, of all amounts due and payable to the Servicer in respect of the insurance premia, if any, advanced by the Servicer under the terms of the Servicing Agreement;

(xi) *eleventh*, in or towards satisfaction of all amounts of: interest due and payable to the Subordinated Loan Provider under the terms of the Subordinated Loan Agreement;

(xii) *twelfth*, in or towards satisfaction of all amounts of principal due and payable to the Subordinated Loan Provider under the terms of the Subordinated Loan Agreement;

(xiii) *thirteenth*, in or towards satisfaction, *pro rata* and *pari passu*, of all amounts due and payable in respect of interest (including any interest accrued but unpaid) on the Class Z Notes;

(xiv) *fourteenth*, in or towards repayment, *pro rata* and *pari passu*, of the Principal Amount Outstanding of the Class Z Notes until the Class Z Notes are redeemed in full; and

(xv) *fifteenth*, in or towards satisfaction of the Variable Return (if any) on the Class Z Notes,

provided that, if the amount of the monies at any time available to the Issuer or to the Representative of the Noteholders for the payments above shall be less than 10% of the Principal Amount Outstanding of the Notes, the Representative of the Noteholders may decide that such monies shall be invested in Eligible investments in accordance with the Intercreditor Agreement and the Cash Allocation, Management and Payment Agreement.

7. INTEREST

7.1 *Interest of the Senior Notes and the Mezzanine Notes*

The Senior Notes will bear interest on its Principal Amount Outstanding from (and including) the Issue Date at a rate equal to 0.15 per cent. per annum in accordance with Condition 7 (*Interest*).

The Mezzanine Notes will bear interest on its Principal Amount Outstanding from (and including) the Issue Date at a rate equal to 1.25 per cent. per annum in accordance with Condition 7 (*Interest*).

Interest in respect of the Senior Notes and the Mezzanine Notes will accrue on a daily basis and will be payable in Euro in arrears on each Payment Date in respect of the Interest Period ending immediately prior thereto, in accordance with the applicable Priority of Payments and will be calculated on the basis of the actual number of days elapsed and a 360-day year.

7.2 *Cessation of accrual of interest of the Senior Notes and the Mezzanine Notes*

Each Rated Note (or the portion of the Principal Amount Outstanding due for redemption) shall cease to bear interest from (and including) the Final Maturity Date or from (and including) any earlier date fixed for redemption unless payment of the principal due and payable but unpaid is improperly withheld or refused, in which case, each Rated Note (or the relevant portion thereof) will continue to bear interest in accordance with this Condition 7 *(Interest)* (both before and after judgment) at the rate from time to time applicable to such Rated Note until the day on which either all sums due in respect of such Rated Note up to that day are received by the relevant Noteholder or the Representative of the Noteholders or each of the Paying Agents receives all amounts due on behalf of all such Noteholders.

7.3 *Rate of Interest of the Senior Notes and the Mezzanine Notes*

7.3.1 The fixed rate of interest applicable from time to time in respect of the Class A Notes (the "**Class A Rate of Interest**") for each Interest Period will be the equal to 0.15 per cent. per annum.

7.3.2 The fixed rate of interest applicable from time to time in respect of the Class B Notes (the "**Class B Rate of Interest**") for each Interest Period will be the equal to 1.25 per cent. per annum.

7.4 *Class Z Notes Variable Return*

The Class Z Notes will accrue and be entitled to the payment of, for each Interest Period, the Class Z Notes Variable Return (if any), both prior to and following the service of a Trigger Notice.

The Class Z Notes Variable Return (if any) will be payable in Euro in arrears on each Payment Date, subject to the applicable Priority of Payments and Condition 10 *(Payments)*.

7.5 *Determination of the Class A Notes Interest Amount, the Class B Notes Interest Amount and the Class Z Notes Variable Return*

In relation to each Interest Period:

(i) on each Interest Determination Date, the Principal Paying Agent shall determine

(a) the Euro amount (the "**Interest Payment Amount**") payable per Calculation Amount as interest on each of the Class A Note and the Class B Notes (respectively, the "**Class A Notes Interest Amount**" and the "**Class B Notes Interest Amount**") in respect of the Interest Period beginning after such Interest Determination Date; and

(b) the Payment Date in respect of the Notes; and

(ii) on each Calculation Date, the Computation Agent shall determine the Class Z Notes Variable Return (if any) payable per Calculation Amount in respect of such Interest Period on the next Payment Date.

7.6 *Notification and publication of amounts of interest payable in respect of the Notes*

Promptly after the determination provided for by Condition 7.5(i) (and in any event not later than the first day of each relevant Interest Period) the Principal Paying Agent will notify, in accordance with Condition 17 (*Notices*), via electronic mail and facsimile transmission the Paying Agent Report (setting out the above-mentioned Class A Notes Rate of Interest, Class B Notes Rate of Interest, the Class A Notes Interest Amount, the Class B Notes Interest Amount and the relevant Payment Date) to the Issuer, the Servicer, the Representative of the Noteholders, the Account Banks, the Computation Agent, the Corporate Services Provider, the Rating Agencies, the Luxembourg Stock Exchange and to the Noteholders through Monte Titoli. For each Senior Note and Mezzanine Note, the amount of interest payable per Calculation Amount for each Payment Date so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Representative of the Noteholder, acting upon instructions of the Noteholders, by way of adjustment) without notice in the event of an extension or shortening of the Interest Period. If the Notes become due and payable under Condition 13 *(Trigger Events)*, the accrued interest per Calculation Amount payable in respect of the relevant Class of Notes shall nevertheless continue to be calculated as previously in accordance with this Condition 7 *(Interest)*, but no publication of the amounts of interest payable per Calculation Amount so calculated needs to be made unless the Representative of the Noteholders or the rules of the Luxembourg Stock Exchange otherwise require.

7.7 *Notification of Class Z Notes Variable Return*

The Issuer shall notify (or cause the Computation Agent to notify) the Class Z Notes Variable Return (if any) applicable for each Interest Period to be notified promptly after determination to, *inter alios*, the Issuer, the Servicer, the Representative of the Noteholders, the Account Banks and the Corporate Services Provider (through the Payments Report or the Post-Trigger Report).

The Issuer shall notify (or cause the Paying Agents to notify) the Class Z Variable Return (if any) applicable for each Interest Period promptly after determination to the Noteholders through Monte Titoli.

7.8 *Calculation of interest in respect of the Senior Notes and the Mezzanine Notes*

Interest in respect of the relevant Class of Senior Notes and Mezzanine Notes shall be calculated per Calculation Amount. The Interest Payment Amount payable per Calculation Amount in respect of the relevant Class of Senior Notes and Mezzanine Notes for any Interest Period shall be an amount equal to the product of:

$$R \times CA \times PF \times DCF$$

(where "**R**" is the Class A Rate of Interest or the Class B Rate of Interest, as applicable, "**CA**" is the Calculation Amount, "**PF**" is the applicable Principal Factor for the Relevant Class on the first day of such Interest Period after any repayments of principal made on such day and "**DCF**" is the

Relevant Day-Count Fraction) rounded down to the nearest cent. The amount of interest payable per each Senior Note and Mezzanine Note for any period shall be an amount equal to the product of:

RA x (D/CA)

(where "**RA**" is the amount of interest payable per Calculation Amount in respect of such Class of Senior Notes and Mezzanine Notes for such Interest Period, "**D**" is the denomination of such Class of Notes and "**CA**" is the Calculation Amount in respect of such Class of Senior Notes and Mezzanine Notes).

7.9 *Calculation of the Class Z Notes Variable Return*

On or prior to each Calculation Date, the Issuer shall determine (or cause the Computation Agent to determine) the Variable Return payable in respect of the Class Z Notes on the immediately following Payment Date. The Variable Return payable on any Payment Date in respect of the Class Z Notes shall be equal to the Issuer Available Funds (if any) remaining after satisfaction of the items ranking in priority to the Variable Return on the Class Z Notes, in accordance with the applicable Priority of Payments.

7.10 *Interest Amount Arrears*

Without prejudice to the right of the Representative of the Noteholders to serve to the Issuer a Trigger Notice pursuant to Condition 13(i) *(Trigger Events - Non-payment)*, prior to the service of a Trigger Notice, in the event that on any Payment Date there are any Interest Amount Arrears, such Interest Amount Arrears shall be deferred on the following Payment Date or on the day a Trigger Notice is served to the Issuer, whichever comes first. Any such Interest Amount Arrears shall be deemed due and payable on the Payment Date on which it was originally scheduled and not on the Payment Date in which it will occur, however, it shall not accrue additional interest. A *pro rata* share of such Interest Amount Arrears shall be aggregated with the amount of, and treated for the purpose of this Condition 7 *(Interest)* as if it were, interest due, subject to this paragraph, on each Note on the next succeeding Payment Date.

If, subject to and upon receipt of the Payments Report from the Computation Agent, the Principal Paying Agent determines that on a Payment Date there will be any Interest Amount Arrears in respect of the Notes, then, it shall notify via electronic mail and facsimile transmission to the Computation Agent, the Issuer, the Representative of the Noteholders and to the Noteholders through Monte Titoli.

7.11 *Extension or shortening of Interest Periods*

The Principal Paying Agent will be entitled to recalculate any interest payment amount or any Interest Amount Arrears (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period.

7.12 *Notifications to be final*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition 7 *(Interest)*, whether by the Paying Agents, the Computation Agent, the Issuer or the Representative of the Noteholders shall (in the absence of wilful default, gross negligence, bad faith or manifest error) be binding on the Paying Agents, the Computation Agent, the Issuer, the Account Banks, the Representative of the Noteholders and all Noteholders and (in such absence as aforesaid) no liability to the Noteholders shall attach to the Paying Agents, the Computation Agent, the Issuer or the Representative of the Noteholders in connection with the exercise or non-exercise by them or any of them of their powers,

duties and discretion hereunder.

7.13 *Service of a Trigger Notice*

Following the service of a Trigger Notice, to the extent permitted under Italian law, each Note will bear interest as set out in this Condition 7 (*Interest*), *provided that* such interest will be payable in accordance with Condition 6.3 (*Priority of Payments – Post-Trigger Priority of Payments*) and subject to Condition 10 *(Payments)*.

7.14 *Paying Agents*

7.14.1 The Issuer shall ensure that, so long as any of the Notes remain outstanding, there shall at all times be a Paying Agent. The Paying Agents may not resign until a successor approved in writing by the Representative of the Noteholders has been appointed. If a new Paying Agent is appointed a notice will be published in accordance with Condition 17 (*Notices*).

7.14.2 If the Principal Paying Agent does not calculate at any time for any reason the Interest Payment Amounts of the Notes of each Class or any Interest Amount Arrears, the Representative of the Noteholders shall do so and such determinations or calculations shall be deemed to have been made by the Principal Paying Agent. In doing so, the Representative of the Noteholders shall apply theprovisions of this Condition 7 (Interest), with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and, in all other respects, it shall do so in such manner as it shall deem fair and reasonable in all the circumstances. The Representative of the Noteholders will not incur any liability for any omission or error in so doing, save as a result of any gross negligence (*colpa grave*) or wilful misconduct (*dolo*) caused by it.

7.15 *Unpaid interest in respect of the Notes*

Unpaid interest on the Notes shall accrue no interest.

8. REDEMPTION, PURCHASE AND CANCELLATION

8.1 *Final Maturity Date*

8.1.1 Unless previously redeemed in full or cancelled in accordance with this Condition 8 (*Redemption, Purchase and Cancellation*), the Notes are due to be repaid in full at their Principal Amount Outstanding (together with interest accrued and unpaid thereon) on the Final Maturity Date, being the Payment Date falling in September 2044.

8.1.2 The Issuer may not redeem the Notes in whole or in part prior to that date except as provided below in Condition 8.2 (*Redemption, Purchase and Cancellation - Mandatory Redemption*), Condition 8.3 (*Redemption, Purchase and Cancellation - Optional redemption for clean-up call*), Condition 8.4 (*Redemption, Purchase and Cancellation – Optional Redemption – Time Call Option*) and Condition 8.5 (*Redemption, Purchase and Cancellation – Optional redemption for taxation reasons*), but without prejudice to Condition 13 (*Trigger Events*).

8.2 *Mandatory Redemption*

The Notes of each Class will be subject to mandatory redemption in full (or in part pro rata) on the Payment Date falling in June 2022 (or, if earlier, the first Payment Date after the service of a Purchase Termination Notice) and on each Payment Date thereafter, in accordance with Condition 8.2 (*Redemption, Purchase and Cancellation - Mandatory Redemption*), if and to the extent that on each such Payment Dates there will be sufficient Principal Available Funds which may be applied towards redemption of the Notes pursuant to the applicable Priority of Payments.

8.3 *Optional redemption for clean-up call*

8.3.1 Unless previously redeemed in full, the Issuer, having given not less than 25 days' prior notice in writing to the Representative of the Noteholders and the Noteholders in accordance with Condition 17 (*Notices*), may redeem the Senior Notes and the Mezzanine Notes (in whole but not in part) and the Junior Notes (in whole or, subject to the Junior Noteholders' consent, in part) at their Principal Amount Outstanding, together with all accrued but unpaid interest thereon, in accordance with Condition 8.3 (*Redemption, Purchase and Cancellation – Optional redemption for clean-up call*), starting from the Payment Date on which a Clean-up Call Event has occurred.

Such early redemption of the Notes will be made in accordance with the Post-Trigger Priority of Payments and subject to the Issuer having produced evidence acceptable to the Representative of the Noteholders that it will have the necessary funds (not subject to the interests of any person) to discharge all of its outstanding liabilities in respect of all the Notes (or all of the Senior Notes and the Mezzanine Notes and all or, subject to the Junior Noteholders' consent, none or part of the Junior Notes) and any amount required to be paid under the Post-Trigger Priority of Payments in priority thereto or *pari passu* therewith.

8.3.2 In order to fund the early redemption of the Notes in accordance with Condition 8.3 (*Redemption, Purchase and Cancellation - Optional redemption for clean-up call*), the Issuer shall sell the Aggregate Portfolio to the Seller pursuant to the repurchase option provided for by the Master Transfer Agreement.

8.4 *Optional Redemption – Time Call Option*

8.4.1. Starting from the Payment Date (included) on which the Rated Notes have been redeemed in full, and on each Payment Date thereafter, unless previously redeemed in full, the Issuer, having given not less than 25 days' prior notice in writing to the Representative of the Noteholders and the Noteholders in accordance with Condition 17 (*Notices*), may redeem the Junior Notes (in whole or, subject to the Junior Noteholders' consent, in part) at their Principal Amount Outstanding, together with all accrued but unpaid interest thereon, in accordance with Condition 8.4 (*Redemption, Purchase and Cancellation - Time Call Option*).

Such early redemption of the Junior Notes will be made in accordance with the Post-Trigger Priority of Payments and subject to the Issuer having produced evidence acceptable to the Representative of the Noteholders that it will have the necessary funds (not subject to the interests of any person) to discharge all of its outstanding liabilities in respect of all or, subject to the Junior Noteholders' consent, none or part of the Junior Notes, and any amount required to be paid under the Post-Trigger Priority of Payments in priority thereto or *pari passu* therewith.

8.4.2 In order to fund the early redemption of the Notes in accordance with Condition 8.4 (*Redemption, Purchase and Cancellation - Time Call Option*), the Issuer (acting upon the instructions of the Representative of the Noteholders in accordance with the Rules of the Organisation of the Noteholders) may sell the Aggregate Portfolio to the Seller.

8.5 *Redemption for taxation reasons*

8.5.1 Prior to the service of a Trigger Notice, the Issuer, having given not less than 30 days' prior notice in writing to the Representative of the Noteholders and the Noteholders in accordance with Condition 17 (*Notices*), may redeem the Senior Notes and the Mezzanine Notes (in whole but not in part) and the Junior Notes (in whole or, subject to the Junior Noteholders' consent, in part) at their Principal Amount Outstanding, together with all accrued but unpaid

interest thereon, in accordance with Condition 8.5 (*Redemption, Purchase and Cancellation – Redemption for taxation reasons*), on any Payment Date falling after the date on which the Issuer has produced evidence acceptable to the Representative of the Noteholders that:

(a) the assets of the Issuer in respect of the Securitisation (including the Receivables, the Collections and the other material Issuer's Rights) become subject to taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or by any political sub-division thereof or by any authority thereof or therein or by any applicable taxing authority having jurisdiction; or

(b) either the Issuer or any paying agent appointed in respect of the Notes or any custodian of the Notes is required to deduct or withhold any amount (other than in respect of a Decree 239 Deduction) in respect of such Notes, from any payment of principal or interest on or after such Payment Date 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 by any political sub-division thereof or by any authority thereof or therein or by any other applicable taxing authority having jurisdiction and provided that such deduction or withholding may not be avoided by appointing a replacement paying agent or custodian in respect of the Senior Notes before the Payment Date following a change in law or the interpretation or administration thereof; or

(c) any amounts of interest payable to the Issuer in respect of the Consumer Loans are required to be deducted or withheld from the Issuer 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 by any political subdivision thereof or by any authority thereof or therein or by any other applicable taxing authority having jurisdiction (each such events, a "**Tax Call Event**").

Such early redemption of the Notes will be made in accordance with the Post-Trigger Priority of Payments and subject to the Issuer having produced evidence acceptable to the Representative of the Noteholders that it will have the necessary funds (not subject to the interests of any person) to discharge all of its outstanding liabilities in respect of all of the Notes (or all of the Rated Notes and all or, subject to the Junior Noteholders' consent, none or part of the Junior Notes) and any amount required to be paid under the Post-Trigger Priority of Payments in priority thereto or *pari passu* therewith.

8.5.2 In order to fund the early redemption of the Notes in accordance with Condition 8.5 (*Redemption, Purchase and Cancellation - Redemption for taxation reasons*), the Issuer shall sell the Aggregate Portfolio to the Seller pursuant to the repurchase option provided for by the Master Transfer Agreement.

8.6 *Principal Payment on the Notes, Redemption Amounts and Principal Amount Outstanding*

8.6.1 On each Calculation Date, the Issuer shall procure that the Computation Agent determines:

(i) the amount of the Issuer Available Funds;

(ii) the principal payment (if any) due on the Notes on the next following Payment Date; and

(iii) the Principal Amount Outstanding of the Notes on the next following Payment Date (after deducting any principal payment due to be made on such Payment Date).

8.6.2 Each determination by (or on behalf of) the Issuer of the Issuer Available Funds, any principal payment on the Notes and the Principal Amount Outstanding of the 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.

8.6.3 The Issuer will, on each Calculation Date, cause the determination of a principal payment on the Notes (if any), the Principal Amount Outstanding of the Notes to be notified by the Computation Agent (through the Payments Report) to the Representative of the Noteholders, the Rating Agencies, the Paying Agents and the Luxembourg Stock Exchange. The Issuer will cause notice of each determination of a principal payment on the Notes and of Principal Amount Outstanding of the Notes to be given to the Noteholders through Monte Titoli.

8.6.4 The principal amount redeemable in respect of the Notes of a particular Class on any Payment Date (each a "**Principal Payment**") shall be calculated per Calculation Amount and shall be an amount equal to such proportion of the amount required as at that Payment Date to be applied towards redemption of such Class of Notes equal to the proportion that the Calculation Amount in respect of such Class of Notes bears to the aggregate Principal Amount Outstanding of all the Notes of such Class upon issue, rounded down to the nearest cent, *provided that* no amount of principal payable in respect of a Note may exceed the Principal Amount Outstanding of such Note. The amount of principal payable per Note of a particular Class on any Payment Date shall be an amount equal to the product of:

PP x (D/CA)

(where "PP" is the Principal Payment payable per Calculation Amount in respect of such Class of Notes on such Payment Date, "D" is the denomination of such Notes and "CA" is the Calculation Amount in respect of such Class of Notes).

8.6.5 If no principal payment on the Notes or Principal Amount Outstanding of the Notes is determined by or on behalf of the Issuer in accordance with the preceding provisions of this Condition 8.6 (*Redemption, Purchase and Cancellation - Principal Payment on the Notes, Redemption Amounts and Principal Amount Outstanding*), such principal payment on the Notes and Principal Amount Outstanding of the Notes may be determined by the Representative of the Noteholders in accordance with this Condition 8 (*Redemption, Purchase and Cancellation*) and each such determination or calculation shall be deemed to have been made by the Issuer.

8.7 *Notice of redemption*

Any notice of redemption as set out in Condition 8.3 (*Redemption, Purchase and Cancellation - Optional redemption for clean-up call*), Condition 8.4 (*Redemption, Purchase and Cancellation – Time Call Option*) and Condition 8.5 (*Redemption, Purchase and Cancellation – Redemption for taxation reasons*) must be given in accordance with Condition 17 (*Notices*) and shall be irrevocable and, upon the expiration of such notice, the Issuer shall be bound to redeem the Notes in accordance with this Condition 8 (*Redemption, Purchase and Cancellation*).

8.8 *No purchase by Issuer*

The Issuer is not permitted to purchase any of the Notes at any time.

8.9 *Cancellation*

8.9.1 The Notes shall be cancelled on the Cancellation Date, being the earlier of:

(i) the date on which the Notes have been redeemed in full;

(ii) the Final Maturity Date; and

(iii) the date on which the Servicer gives notice to the Issuer and the Noteholders that it has determined that there is no reasonable likelihood of there being any further amounts to be realised in respect of the Aggregate Portfolio or the Note Security (whether arising from an enforcement of the Note Security or otherwise) being available to the Issuer or, if any Noteholder objects such Servicer's determination for reasonably grounded reasons within 30 days from notice thereof, the date on which such determination in respect thereof is made by an independent third party in accordance with Condition 9.2 (iii),

at which date any amount outstanding, whether in respect of interest, principal and/or other amounts in respect of the Notes, shall be finally and definitively cancelled.

8.9.2 Upon cancellation the Notes may not be resold or re-issued.

9. NON PETITION AND LIMITED RECOURSE

9.1 *Non Petition*

Only the Representative of the Noteholders may pursue the remedies available under the general law or under the Transaction Documents to obtain payment of any obligation of the Issuer deriving from any of the Transaction Documents or enforce the Note Security and no Noteholder shall be entitled to proceed directly against the Issuer to obtain payment of any such obligation or to enforce the Note Security, save as provided by the Transaction Documents and the Rules of the Organisation of the Noteholders. In particular, save as expressly permitted by the Transaction Documents and the Rules of the Organisation of the Noteholders, no Noteholder:

(i) shall be entitled to direct the Representative of the Noteholders to enforce the Note Security or take any proceedings against the Issuer to enforce the Note Security;

(ii) shall be entitled to take or join any person in taking any steps against the Issuer for the purpose of obtaining payment of any amount due from the Issuer to it; provided however that this paragraph (ii) shall not prevent any Noteholder from taking any steps against the Issuer which do not amount to the commencement or the threat of commencement of legal proceedings against the Issuer or to procuring the appointment of an insolvency receiver for or to the making of an administration order against or to the winding up or liquidation of the Issuer;

(iii) shall be entitled until the date falling two year plus one day after the date on which all the Notes, the Previous Notes and all the asset backed notes issued in the context of any Further Securitisation have been redeemed in full or cancelled, to cause, initiate or join any person in initiating an Insolvency Event in relation to the Issuer, provided however that this paragraph (iii) shall not prejudice the right of any Noteholder to prove a claim in an insolvency of the Issuer where such insolvency follows the institution of an insolvency proceeding by a third party; and

(iv) shall be entitled to take or join in the taking of any corporate action, legal proceedings or other procedure or step that would result in the Priority of Payments not being observed.

9.2 *Limited recourse obligations of Issuer*

Notwithstanding any other provision of the Transaction Documents, all obligations of the Issuer to the Noteholders are limited in recourse as set out below:

(i) each Noteholder will have a claim only in respect of the Issuer Available Funds and at all times only in accordance with the applicable Priority of Payments and will not have any claim, by operation of law or otherwise, against, or recourse to, the Issuer's other assets or its contributed capital;

(ii) sums payable to each Noteholder in respect of the Issuer's obligations to such Noteholder shall be limited to the lesser of (a) the aggregate amount of all sums due and payable to such Noteholder; and (b) the Issuer Available Funds, net of any amounts which are payable by the Issuer in accordance with the applicable Priority of Payments in priority to or *pari passu* with such sums payable to such Noteholder; and

(iii) upon the Servicer giving notice to the Issuer and the Noteholders in accordance with Condition 17 *(Notices)* that it has determined, in its sole opinion, that there is no reasonable likelihood of there being any further amounts to be realised in respect of the Aggregate Portfolio or the Note Security (whether arising from an enforcement of the Note Security or otherwise) which would be available to pay unpaid amounts outstanding under the Transaction Documents, the Noteholders shall have no further claim against the Issuer in respect of any such unpaid amounts and such unpaid amounts shall be cancelled and discharged in full. The provisions of this Condition 9.2(iii) are subject to none of the Noteholders objecting to such determination of the Servicer for reasonably grounded reasons within 30 days from notice thereof. If any Noteholder objects such determination within such term, then the Servicer shall request an independent third party to verify and determine if there is no reasonable likelihood of there being any further amounts to be realised in respect of the Aggregate Portfolio or the Note Security which would be available to pay unpaid amounts outstanding under the Transaction Documents. Such determination shall be definitive and binding for all the Noteholders.

10. PAYMENTS

10.1 *Payments through Monte Titoli, Euroclear and Clearstream*

Payment of principal and interest in respect of the Notes, as well as of any Class Z Notes Variable Return in respect of the Class Z Notes, will be credited by the Local Paying Agent on behalf of the Issuer, according to the instructions of Monte Titoli, to the accounts of those banks and authorised brokers whose Monte Titoli accounts are credited with such Notes and, thereafter, credited by such banks and authorised brokers from such aforementioned accounts to the accounts of the beneficial owners of such Notes or through Euroclear and Clearstream to the accounts of the beneficial owners of such Notes held with Euroclear and Clearstream, in each case, in accordance with the rules and procedures of Monte Titoli, Euroclear or Clearstream, as the case may be.

10.2 *Payments subject to tax laws*

Payment of principal and interest in respect of the Notes, as well as of any Class Z Notes Variable Return in respect of the Class Z Notes, are subject in all cases to any fiscal or other laws and regulations applicable thereto.

10.3 *Payments on Business Days*

Noteholders will not be entitled to any interest or other payment in consequence of any delay after the due date in receiving any amount due as a result of the due date not being a business day in the place of payment to such Noteholder.

10.4 *Variation of Paying Agents and of Computation Agent*

The Issuer reserves the right, subject to the prior written approval of the Representative of the Noteholders, at any time to vary or terminate the appointment of any of the Paying Agents and/or

the Computation Agent and to appoint a substitute Paying Agent and/or Computation Agent, as the case may be. The Issuer will cause at least 30 days' prior notice of any replacement of any of the Paying Agent and/or the Computation Agent to be given in accordance with Condition 17 (*Notices*), except in case any such replacement is caused by the insolvency of the relevant agent.

11. TAXATION

All payments in respect of the Notes will be made without withholding or deduction for or on account of any present or future taxes, duties or charges of whatsoever nature other than a Decree 239 Deduction or any other withholding or deduction required to be made by applicable law. Neither the Issuer nor any other person shall be obliged to pay any additional amount to any holder of Notes on account of such withholding or deduction.

12. PRESCRIPTION

Claims against the Issuer for payments in respect of the Notes shall be prescribed and shall become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the date on which a payment in respect thereof first becomes due and payable.

13. TRIGGER EVENTS

13.1 *Trigger Events*

The occurrence of any of the following events shall constitute a Trigger Event:

(i) *Non-payment:* the Issuer defaults in the payment of any amount of interest due and/or principal due and payable in respect of the Most Senior Class of the Rated Notes and such default is not remedied within a period of five Business Days from the due date thereof; or

(ii) *Breach of other obligations*: the Issuer defaults in the performance or observance of any of its obligations under or in respect of the Notes or any of the Transaction Documents to which it is a party (other than any obligation specified in paragraph (i) above) which is in the Representative of the Noteholders' opinion materially prejudicial to the interests of the Noteholders and such default remains unremedied for fifteen days after the Representative of the Noteholders has given written notice thereof to the Issuer requiring the same to be remedied (except where, in the sole opinion of the Representative of the Noteholders, such default is not capable of remedy, in which case no notice requiring remedy will have to be given); or

(iii) *Breach of representations and warranties by the Issuer*: any of the representations and warranties given by the Issuer under any of the Transaction Documents to which it is party is, or proves to have been, incorrect or erroneous in any material respect when made, or deemed to be made, and such breach remains unremedied for 15 (fifteen) days after the Representative of the Noteholders has served notice requiring remedy (except where, in the sole opinion of the Representative of the Noteholders, the breach of the relevant representation is not capable of remedy in which case no notice requiring remedy will have to be given); or

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

(v) *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, when compliance with such obligations is deemed by the Representative of the Noteholders to be material.

13.2 *Trigger Notice*

Upon the occurrence of a Trigger Event, the Representative of the Noteholders may at its sole discretion or shall, if so directed by an Extraordinary Resolution of the Most Senior Class of Noteholders, serve a Trigger Notice to the Issuer. Upon the service of a Trigger Notice, the Post-Trigger Available Funds shall be applied in accordance with Condition 6.3 (*Priority of Payments – Post-Trigger Priority of Payments*).

14. ACTIONS FOLLOWING THE SERVICE OF A TRIGGER NOTICE

14.1 *Actions of the Representative of the Noteholders*

At any time after a Trigger Notice has been served, the Representative of the Noteholders may (or shall, if so requested or authorised by an Extraordinary Resolution of the Most Senior Class of Noteholders) take such steps and/or institute such proceedings against the Issuer as it may think fit to ensure repayment of the Notes and payment of accrued interest thereon in accordance with the Priority of Payments set out in Condition 6.3 (*Priority of Payments - Post-Trigger Priority of Payments*).

14.2 *Notifications, Determinations and Liability of the Representative of the Noteholders*

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of Condition 13 (*Trigger Events*) or this Condition 14 (*Actions following the service of a Trigger Notice*) by the Representative of the Noteholders shall (in the absence of wilful default, gross negligence, bad faith or manifest error) be binding on the Issuer and all Noteholders and (in such absence as aforesaid) no liability to the Noteholders or the Issuer shall attach to the Representative of the Noteholders in connection with the exercise or non-exercise by it of its powers, duties and discretion hereunder.

14.3 *Actions against the Issuer*

No Noteholder shall be entitled to proceed directly against the Issuer, save as provided in these Terms and Conditions and the Rules of the Organisation of the Noteholders.

14.4 *Limited claims against the Issuer*

If the Representative of the Noteholders takes action to ensure the Noteholders' rights in respect of the Aggregate Portfolio and the Issuer's Rights and after payment of all other claims ranking in priority to the Notes under these Terms and Conditions and the Intercreditor Agreement, if the remaining proceeds of such action (the Representative of the Noteholders having taken action to ensure the Noteholders' rights in respect of the entire Aggregate Portfolio and all the Issuer's Rights) are insufficient to pay in full all principal and interest and other amounts whatsoever due in respect of the Notes and all other claims ranking *pari passu* therewith, then the Noteholders' claims against the Issuer will be limited to their *pro rata* share of such remaining proceeds (if any) and the obligations of the Issuer to the Noteholders will be discharged in full and any amount in respect of principal, interest or other amounts due under the Notes will be finally and definitively cancelled.

14.5 *Disposal of the Aggregate Portfolio*

Following the service of a Trigger Notice, the Issuer may (subject to the consent of the Representative of the Noteholders) or the Representative of the Noteholders may (or shall if so requested by an Extraordinary Resolution of the Most Senior Class of Noteholders) direct the Issuer to, dispose of the Aggregate Portfolio, subject to the terms and conditions of the Intercreditor Agreement.

15. PURCHASE TERMINATION EVENTS

15.1 *Purchase Termination Events*

The occurrence of any of the following events shall constitute a Purchase Termination Event

(i) *Breach of representations and warranties by Santander Consumer Bank*: any of the representations and warranties given by Santander Consumer Bank under any of the Transaction Documents to which it is party to or proves to have been incorrect or misleading when made, or deemed to be made, in any respect which is deemed material in the Representative of the Noteholders' opinion when made or repeated, provided that such breach remains unremedied for 30 (thirty) days after the Representative of the Noteholders has given written notice thereof to the Issuer and Santander Consumer Bank declaring that such breach is, in its opinion, materially prejudicial to the interest of the Noteholders; or

(ii) *Breach of ratios*:

(i) the Cumulative Loss Ratio, calculated on the relevant Servicer Report Date, is above the following level as at the relevant Servicer Report Date:

(a) 0.50% as at the Servicer Report Date falling on June 2020; or

(b) 0.80% as at the Servicer Report Date falling on September 2020; or

(c) 1.45% as at the Servicer Report Date falling on December 2020; or

(d) 2.20% as at the Servicer Report Date falling on March 2021; or

(e) 3.00% as at the Servicer Report Date falling on June 2021; or

(f) 3.85% as at the Servicer Report Date falling on September 2021; or

(g) 4.70% as at the Servicer Report Date falling on December 2021; or

(h) 5.50% as at the Servicer Report Date falling on March 2022; or

(ii) the Delinquency Ratio for the immediately preceding Collection Period, calculated on the relevant Offer Date, is higher than the Delinquency Ratio Threshold; or

(iii) the Collateral Ratio for the 2 (two) immediately preceding Collection Periods, calculated on the relevant Offer Date, is lower than the Collateral Ratio Threshold; or

(iii) *Principal Deficiency*: on any Payment Date, a debit balance remains outstanding on the Class A Principal Deficiency Sub-Ledger or the Class B Principal Deficiency Sub-Ledger following the relevant payments and/or provisions required to be made by the Issuer on such date in accordance with the Pre-Trigger Interest Priority of Payments; or

(iv) *Cash Reserve*: on any Payment Date, the amount standing to the credit of the Cash Reserve Account is lower than the Target Cash Reserve Amount following the relevant payments and/or provisions required to be made by the Issuer on such date in accordance with the Pre-Trigger Interest Priority of Payments; or

(v) *Collections*: the Collections are not transferred by the Servicer into the Collection Account, irrevocably and in cleared funds, pursuant to the terms and conditions of the Servicing Agreement; or

(vi) *Servicer Report*: other than as a result of force majeure, notwithstanding the occurrence of which the Servicer has used its reasonable endeavours to deliver the Servicer Report in the circumstances, the Servicer fails to deliver a Servicer Report on the due date therefor in accordance with the Servicing Agreement and such failure continues for a period of 7 (seven) Business Days; or

(vii) *Subsequent Portfolios*: the Seller fails, during the Revolving Period, to offer for sale to the Issuer Subsequent Portfolios for 3 (three) consecutive Offer Dates; or

(viii) *Receipt of a Trigger Notice*: the Issuer receives a Trigger Notice; or

(ix) *Delivery of a Tax Redemption Notice*: the Issuer delivers a Tax Redemption Notice.

15.2 *Purchase Termination Notice*

Upon occurrence of a Purchase Termination Event during the Revolving Period, the Servicer shall serve a Purchase Termination Notice to the Issuer (with copy to the Seller, the Representative of the Noteholders, the Computation Agent and the Rating Agencies). Upon the service of a Purchase Termination Notice, the Issuer may no longer purchase any Subsequent Portfolios and the Amortising Period will start.

16. THE REPRESENTATIVE OF THE NOTEHOLDERS

16.1 *The Organisation of the Noteholders*

The Organisation of 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.

16.2 *Appointment of the Representative of the Noteholders*

Pursuant to the Rules of the Organisation of the Noteholders, for so long as any Note is outstanding, there shall at all times be a Representative of the Noteholders. The appointment of the Representative of the Noteholders, as legal representative of the Organisation of the Noteholders, is made by the Noteholders subject to and in accordance with the Rules of the Organisation of the Noteholders, except for the initial Representative of the Noteholders who has been appointed at the time of the issue of the Notes by Santander Consumer Bank, in its capacity as Initial Subscriber and initial holders of the Notes, subject to and in accordance with the Subscription Agreement. Each Noteholder is deemed to accept such appointment.

17. NOTICES

17.1 *Notices through Monte Titoli and in Luxembourg*

Any notice regarding the Notes, as long as the Notes are held through Monte Titoli, shall be deemed to have been duly given if given through the systems of Monte Titoli, and, in relation to the Senior Notes and the Mezzanine Notes and for so long as the Senior Notes and the Mezzanine Notes are listed on the Luxembourg Stock Exchange and the rules of such exchange so require, if published on the website of the Luxembourg Stock Exchange (being, as at the date of this Prospectus, www.bourse.lu) or in accordance with the rules of the Luxembourg Stock Exchange. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made in one of the manners referred to above.

In addition, as so long as the Senior Notes and the Mezzanine Notes are listed on the Luxembourg Stock Exchange, any notice regarding such Notes to the relevant Noteholders shall be given in any other manner as required by the regulation applicable from time to time, including, in particular,

Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004, as amended.

17.2 *Alternative methods of notice*

The Representative of the Noteholders shall be at liberty to sanction some other method of giving notice to Noteholders if, in its opinion, such other method is reasonable having regard to market practice then prevailing and to the rules of the stock exchange on which the Senior Notes and the Mezzanine Notes are then listed and *provided that* notice of such other method is given to the Noteholders in such manner as the Representative of the Noteholders shall require and in accordance with the rules of the stock exchange on which the Senior Notes and the Mezzanine Notes are then listed.

18. GOVERNING LAW AND JURISDICTION

18.1 *Governing law of the Notes*

The Notes and any non-contractual obligations arising out of or in connection with them are governed by and will be construed in accordance with Italian law.

18.2 *Governing law of the Transaction Documents*

18.2.1 All the Transaction Documents, save for the Spanish Deed of Pledge, and any non-contractual obligations arising out of or in connection with them are governed by and will be construed in accordance with Italian law.

18.2.2 The Spanish Deed of Pledge and any non-contractual obligations arising out of or in connection with it are governed by and will be construed in accordance with Spanish law.

18.3 *Jurisdiction*

The Courts of Turin are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Notes.

EXHIBIT 1

TO THE TERMS AND CONDITIONS OF THE NOTES

RULES OF THE ORGANISATION OF THE NOTEHOLDERS

TITLE I

GENERAL PROVISIONS

1 General

1.1 *Establishment*

The Organisation of the Noteholders is created concurrently with the issue by Golden Bar (Securitisation) S.r.l. of and subscription for the € 629,000,000 Class A-2020-1 Asset-Backed Fixed Rate Notes due September 2044 (the "**Class A Notes**" or the "**Senior Notes**"), the € 50,000,000 Class B-2020-1 Asset-Backed Fixed Rate Notes due September 2044(the "**Class B Notes**" or the "**Mezzanine Notes**") and the € 67,498,000 Class Z-2020-1 Asset-Backed Variable Return Notes due September 2044 (the "**Class Z Notes**" or the "**Junior Notes**", and, together with the Senior Notes and the Mezzanine Notes, the "**Notes**") and is governed by these Rules of the Organisation of the Noteholders (the "**Rules**").

1.2 *Validity*

These Rules shall remain in force and effect until full repayment or cancellation of all the Notes.

1.3 *Integral part of the Notes*

These Rules are deemed to be an integral part of each Note issued by the Issuer.

2 Definitions and interpretations

2.1 *Interpretation*

2.1.1 Unless otherwise provided in these Rules, any capitalised term shall have the meaning attributed to it in the Terms and Conditions.

2.1.2 Any reference herein to an "Article" shall be a reference to an article of these Rules.

2.1.3 Headings and subheadings used herein are for ease of reference only and shall not affect the construction of these Rules.

2.2 *Definitions*

In these Rules, the terms set out below shall have the following meanings:

"**Basic Terms Modification**" means any proposal to:

(a) change the date of maturity of the Notes of any Class;

(b) change any date fixed for the payment of principal or interest in respect of the Notes of any Class;

(c) reduce or cancel the amount of principal or interest payable on any date in respect of the Notes of any Class (other than any reduction or cancellation permitted under the Terms and Conditions) or alter the method of calculating the amount of any payment in respect of the Notes of any Class on redemption or maturity;

(d) change the quorum required at any Meeting or the majority required to pass any Resolution;

(e) change the currency in which payments are due in respect of any Class of Notes;

(f) alter the priority of payments affecting the payment of interest and/or the repayment of principal in respect of any of the Notes of any Class;

(g) effect the exchange, conversion or substitution of the Notes of any Class for, or the conversion of such Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate, formed or to be formed; or

(h) a change to this definition.

"**Blocked Notes**" means Notes which have been blocked by an authorised intermediary in an account with a clearing system.

"**Block Voting Instruction**" means in relation to a Meeting, the document issued by the relevant paying agent stating *inter alia*:

(a) that the Blocked Notes specified therein will not be released until a specified date which falls after the conclusion of the Meeting;

(b) that the relevant paying agent has been instructed by the holder of the relevant Notes to cast the votes attributable to such Blocked Notes in a particular way on each resolution to be put to the relevant Meeting and that during the period of 48 hours before the time fixed for the Meeting such instructions may not be amended or revoked; and

(c) authorising a Proxy to vote in accordance with such instructions.

"**Chairman**" means, in relation to any Meeting, the individual who takes the chair in accordance with Title II, Article 7 of these Rules.

"**Extraordinary Resolution**" means a resolution passed at a Meeting, duly convened and held in accordance with the provisions contained in these Rules to resolve on the object set out in Article 18.

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

"**Monte Titoli Account Holder**" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli including any depository banks appointed by Euroclear and Clearstream.

"**Ordinary Resolution**" means a resolution passed at a Meeting, duly convened and held in accordance with the provisions contained in these Rules to resolve on the object set out in Article 17.

"**Proxy**" means any person to which the powers to vote at a Meeting have been duly granted under a Voting Certificate or a Block Voting Instruction.

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

"**Terms and Conditions**" means the terms and conditions of the Notes, as from time to time modified in accordance with the provisions herein contained and including any agreement or other document expressed to be supplemental thereto, and any reference to a numbered "**Condition**" is to the corresponding numbered provision thereof.

"**Voter**" means, in relation to any Meeting, the holder of a Voting Certificate or a Proxy;

"**Voting Certificate**" means, in relation to any Meeting, a certificate issued by the Monte Titoli Account Holder in accordance with Regulation 13 August 2018, as subsequently amended and supplemented, stating *inter alia*:

(a) that the Blocked Notes specified therein will not be released until a specified date which falls after the conclusion of the Meeting; and

(b) that the bearer of such certificate is entitled to attend and vote at such Meeting in respect of such Blocked Notes.

"**24 hours**" means a period of 24 hours including all or part of a day on which banks are open for business both in the place where any relevant Meeting is to be held and in the place where the Local Paying Agent has its specified office.

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

3 Purpose of the Organisation

3.1 *Membership*

Each Noteholder is a member of the Organisation of the Noteholders.

3.2 *Purpose*

The purpose of the Organisation of the Noteholders is to co-ordinate the exercise of the rights of the Noteholders and, more generally, to take any action necessary or desirable to protect the interests of the Noteholders.

TITLE II

MEETINGS OF NOTEHOLDERS

4 Voting Certificates and Validity of the Proxies and Voting Certificates

4.1 *Participation in Meetings*

Noteholders may participate in any Meeting by obtaining a Voting Certificate or by depositing a Block Voting Instruction at the specified office of the Representative of the Noteholders not later than 24 hours before the relevant Meeting.

4.2 *Validity*

A Block Voting Instruction or a Voting Certificate shall be valid only if deposited at the specified office of the Representative of the Noteholders, or at any other place approved by the Representative of the Noteholders, at least 24 hours before the time of the relevant Meeting. If a Block Voting Instruction or a Voting Certificate is not deposited before such deadline, it shall not be valid unless the Chairman decides otherwise before the Meeting proceeds to discuss the items on the agenda. If the Representative of the Noteholders so requires, notarised copy of each Voting Certificate or Block Voting Instruction and satisfactory evidence of the identity of each Proxy named therein shall be produced at the Meeting, but the Representative of the Noteholders shall not be obliged to investigate the validity of a Voting Certificate, a Block Voting Instruction or the identity of any Proxy.

4.3 *Mutually exclusive*

A Voting Certificate and a Block Voting Instruction cannot be outstanding simultaneously in respect of the same Note.

4.4 *Blocking and release of Notes*

References to the blocking or release of Notes shall be construed in accordance with the usual practices (including blocking the relevant account) of any relevant clearing system.

5 Convening the Meeting

5.1 *Meetings convened by the Representative of the Noteholders*

The Representative of the Noteholders may convene a Meeting at any time.

The Representative of the Noteholders shall convene a Meeting at any time it is requested to do so in writing by (a) the Issuer, or (b) Noteholders representing at least one-tenth of the aggregate Principal Amount Outstanding of all the Notes outstanding for the Class in respect of which the

Meeting is to be convened.

5.2 *Request from the Issuer*

Whenever the Issuer requests the Representative of the Noteholders to convene a Meeting, it shall immediately send a communication in writing to that effect to the Representative of the Noteholders specifying the proposed day, time and place of the Meeting and the items to be included in the agenda.

5.3 *Time and place of the Meeting*

Every Meeting will be held on a date and at a time and place selected or approved by the Representative of the Noteholders.

5.4 *Meeting in audio- or video-conference*

Meetings may be held via audio-conference or video-conference where Voters are located at different places, provided that:

(a) the Chairman may ascertain and verify the identity and legitimacy of those Voters, monitor the Meeting, acknowledge and announce to those Voters the outcome of the voting process;

(b) the person drawing up the minutes may hear well the meeting events being the subject matter of the minutes;

(c) each Voter attending via audio-conference or video-conference may follow and intervene in the discussions and vote the items on the agenda in real time;

(d) the notice of the Meeting expressly states, where applicable, how Voters may obtain the information necessary to attend the relevant Meeting via audio-conference and/or videoconference equipment; and

(e) for the avoidance of doubt, the Meeting is deemed to take place where the Chairman and the person drawing up the minutes are located.

6 Notice of Meeting and Documents Available for Inspections

6.1 *Notice of meeting*

At least 21 days' notice (exclusive of the day on which notice is delivered and of the day on which the relevant Meeting is to be held), specifying the day, time and place of the Meeting, must be given by the relevant paying agent (upon instruction from the Representative of the Noteholders) to the relevant Noteholders, with copy to the Issuer and the Representative of the Noteholders.

6.2 *Content of the notice*

The notice of any resolution to be proposed at the Meeting shall specify at least the following information:

(a) day, time and place of the Meeting, on first and second call;

(b) agenda of the Meeting; and

(c) nature of the Resolution.

6.3 *Validity notwithstanding lack of notice*

Notwithstanding the formalities required by this Article 6, a Meeting is validly held if the entire Principal Amount Outstanding of the relevant Class or Classes of Notes is represented thereat and the Issuer and the Representative of the Noteholders are present.

6.4 *Documentation available for Inspection*

All of the documentation (including, if possible, the full text of the resolution to be proposed at the Meeting) which is necessary, useful or appropriate for the Noteholders to (i) determine whether or not to take part in the relevant Meeting and (ii) exercise their right to vote on the items on the

agenda, shall be deposited at the specified office of the Representative of the Noteholders at least 7 days before the date set for the relevant Meeting.

7 Chairman of the Meeting

7.1 *Appointment of the Chairman*

The Meeting is chaired by an individual (who may, but need not be, a Noteholder) appointed by the Representative of the Noteholders. If the Representative of the Noteholders fails to make such appointment or the individual so appointed declines or is not present within 15 minutes after the time fixed for the Meeting, the Meeting shall be chaired by the person elected by the majority of the Voters present, failing which, the Issuer shall appoint a Chairman.

7.2 *Duties of the Chairman*

The Chairman ascertains that the Meeting has been duly convened and validly constituted, manages the business of the Meeting, monitors the fairness of proceedings, leads and moderates the debate and defines the terms for voting.

7.3 *Assistance*

The Chairman may be assisted by outside experts or technical consultants, specifically invited to assist in any given matter, and may appoint one or more vote-counters, who are not required to be Noteholders.

8 Quorum

8.1 *Quorum and Passing of Resolution*

The quorum (*quorum costitutivo*) at any Meeting shall be:

(a) in respect of a Meeting convened to vote on an Ordinary Resolution:

(i) on first call, one or more Voters holding or representing at least one tenth of the Principal Amount Outstanding of the outstanding Notes for the Class in respect of which the Meeting is convened; or

(ii) on second call, following any adjournment pursuant to Article 9, such fraction of the Principal Amount Outstanding of the outstanding Notes as is represented or held by Voters present at the Meeting;

(b) in respect of a Meeting convened to vote on an Extraordinary Resolution, other than in respect of a Basic Terms Modification:

(i) on first call, one or more Voters holding or representing at least two thirds of the Principal Amount Outstanding of the Notes outstanding for the Class in respect of which the Meeting is convened; or

(ii) on second call, following any adjournment pursuant to Article 9, such fraction of the Principal Amount Outstanding of the outstanding Notes as is represented or held by Voters present at the Meeting;

(c) in respect of a Meeting convened to vote on an Extraordinary Resolution in respect of a Basic Terms Modification:

(i) on first call, one or more Voters holding or representing at least three quarters of the Principal Amount Outstanding of the outstanding Notes for the Class in respect of which the Meeting is convened; or

(ii) on second call, following any adjournment pursuant to Article 9, one or more Voters holding or representing at least one half of the Principal Amount Outstanding of the outstanding Notes for the Class in respect of which the Meeting is convened.

8.2 *Passing of a Resolution*

A Resolution shall be deemed validly passed if voted by the following majorities:

(a) in respect of an Ordinary Resolution, a majority of the votes cast; and

(b) in respect of an Extraordinary Resolution, a majority of not less than three quarters of the votes cast.

For the purposes above, abstentions shall not be considered as votes cast, although the relevant Voters are present or represented at the Meeting.

9 Adjournment for lack of quorum

If a quorum is not reached within 30 minutes after the time fixed for any Meeting:

(a) if such Meeting was requested by Noteholders, the Meeting shall be dissolved; or

(b) in any other case, the Meeting (unless the Issuer and the Representative of the Noteholders otherwise agree) shall be adjourned to a new date no earlier than 14 days and no later than 42 days after the original date of such Meeting, and to such place and time as the Chairman determines with the approval of the Representative of the Noteholders, *provided however that* no meeting may be adjourned more than once for want of quorum.

10 Adjourned Meeting

Except as provided in Article 9, the Chairman may, with the prior consent of any Meeting, and shall if so directed by any Meeting, adjourn such Meeting to another time and place. No business shall be transacted at any adjourned meeting except business which might have been transacted at the Meeting from which the adjournment took place.

11 Notice following adjournment

11.1 *Notice required*

If a Meeting is adjourned in accordance with the provisions of Article 9, Articles 5 and 6 above shall apply to the resumed meeting except that:

(a) 10-days' notice (exclusive of the day on which the notice is delivered and of the day on which the Meeting is to be resumed) shall be sufficient; and

(b) the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.

11.2 *Notice not required*

It shall not be necessary to give notice to resume any Meeting adjourned for reasons other than those described in Article 9.

12 Participation

The following categories of persons may attend and speak at a Meeting:

(a) Voters;

(b) the director(s) and the auditors of the Issuer;

(c) the Representative of the Noteholders;

(d) financial and/or legal advisers to the Issuer and the Representative of the Noteholders; and

(e) any other person authorised by the Issuer, the Representative of the Noteholders or by virtue of a resolution of the relevant Meeting.

13 Voting by show of hands

13.1 *First instance vote*

Every question submitted to a Meeting shall be decided in the first instance by a vote by show of hands.

13.2 *Demand of poll*

If, before the vote by show of hands, the Issuer, the Representative of the Noteholders, the Chairman or one or more Voters who represent or hold at least one-tenth of the aggregate Principal Amount Outstanding of the relevant Class or Classes of Notes request to vote by poll, the question shall be voted on in compliance with the provisions of Article 14. No request to vote by poll shall hinder the continuation of the Meeting in relation to the other items on the agenda.

13.3 *Approval of a resolution*

A resolution is only passed on a vote by show of hands if the Meeting has been validly constituted and the relevant resolution is unanimously approved by all of the Voters at the Meeting. The Chairman's declaration that on a show of hands a resolution has been passed or rejected shall be conclusive. Whenever it is not possible to approve a resolution by show of hands, voting shall be carried out by poll.

14 Voting by poll

14.1 *Demand for a poll*

A demand for a poll shall be valid if it is made by the Chairman, the Issuer, the Representative of the Noteholders or one or more Voters representing or holding not less than one-tenth of the Principal Amount Outstanding of the outstanding Notes entitled to vote at the Meeting. A poll may be taken immediately or after any adjournment as decided by the Chairman, but any poll demanded on the election of a Chairman or on any question of adjournment shall be taken immediately. A valid demand for a poll shall not prevent the continuation of the relevant Meeting for any other business.

14.2 *Conditions of a poll*

The Chairman sets the conditions for voting by poll, including for counting and calculating the votes, and may set a time limit by which all votes must be cast. Any vote which is not cast in compliance with the conditions set by the Chairman shall be null. After voting ends, the votes shall be counted and after the counting the Chairman shall announce to the Meeting the outcome of the vote.

15 Votes

15.1 *Votes*

Each Voter shall have:

(a) one vote, when voting by a show of hands; and

(b) one vote for each € 1,000 of Principal Amount Outstanding of each Note represented or held by the Voter, when voting by poll.

15.2 *Exercise of multiple votes*

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

15.3 *Voting tie*

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

16 Voting by Proxy

16.1 *Validity*

Any vote by a Proxy appointed in accordance with the relevant Block Voting Instruction or Voting

Certificate shall be valid even if such Block Voting Instruction or Voting Certificate or any other instruction pursuant to which it has been given had been amended or revoked *provided that* none of the Paying Agents, the Issuer, the Representative of the Noteholders or the Chairman has been notified in writing of such revocation at least 24 hours prior to the time set for the relevant Meeting.

16.2 *Adjournment of Meeting*

Unless revoked, the appointment of a Proxy in relation to a Meeting shall also remain valid in relation to a resumption of such Meeting following an adjournment, unless such Meeting was adjourned for lack of quorum pursuant to Article 9. If a Meeting is adjourned pursuant to Article 9, any person appointed to vote in such Meeting must be re-appointed by virtue of a Block Voting Instruction or Voting Certificate in order to vote at the resumed Meeting.

17 Ordinary Resolutions

Save as provided by Article 18 and subject to the provisions of Article 19, a Meeting shall have the power exercisable by Ordinary Resolution to:

(a) waive (including to waive a prior breach) any breach by the Issuer of its obligations arising under the Transaction Documents or the Notes, or waive a Trigger Event, if such waivers are not previously authorised by the Representative of the Noteholders in accordance with the Transaction Documents;

(b) determine any other matters submitted to the Meeting, other than matters required to be the subject of an Extraordinary Resolution, in accordance with the provisions of these Rules and the Transaction Documents; and

(c) authorise the Representative of the Noteholders or any other person to execute all documents and do all things necessary to give effect to any Ordinary Resolution.

18 Extraordinary Resolutions

The Meeting, subject to Article 19, shall have power exercisable by Extraordinary Resolution to:

(a) approve any Basic Terms Modification;

(b) approve any proposal by the Issuer or the Representative of the Noteholders for any alteration or waiver of the rights of the Noteholders against the Issuer;

(c) approve any scheme or proposal related to the mandatory exchange or substitution of any Class of Notes;

(d) save as provided by Article 29, approve any amendments of the provisions of (i) these Rules, (ii) the Terms and Conditions, (iii) the Intercreditor Agreement, (iv) the Cash Allocation, Management and Payment Agreement, or (v) any other Transaction Document in respect of the obligations of the Issuer under or in respect of the Notes which is not a Basic Terms Modification proposed by the Issuer, the Representative of the Noteholders and/or any other party thereto;

(e) discharge or exonerate (including prior or retrospective discharge or exoneration) the Representative of the Noteholders from any liability in relation to any act or omission for which the Representative of the Noteholders has or may become liable pursuant or in relation to these Rules, the Terms and Conditions or any other Transaction Document;

(f) grant any authority, order or sanction which, under the provisions of these Rules or of the Terms and Conditions, must be granted by Extraordinary Resolution (including the issue of a Trigger Notice as a result of a Trigger Event pursuant to Condition 13 *(Trigger Events)*);

(g) authorise and ratify the actions of the Representative of the Noteholders in compliance with these Rules, the Intercreditor Agreement and any other Transaction Document;

(h) authorise the Representative of the Noteholders or any other person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;

(i) appoint and remove the Representative of the Noteholders; and

(j) authorise or object to individual actions or remedies of Noteholders under Article 23.

19 Relationship between Classes and conflict of interests

19.1 *Relationship between Classes*

(i) No Extraordinary Resolution involving a Basic Terms Modification that is passed by the holders of one Class of Notes shall be effective unless it is sanctioned by an Extraordinary Resolution of the holders of the other Class of Notes (if any).

(ii) Any Ordinary Resolution or Extraordinary Resolution involving any matter other than a Basic Term Modification that is passed by the holders of the Most Senior Class of Notes shall be binding on the holders of the other Class of Notes irrespective of the effect thereof on their interest.

(iii) No Ordinary Resolution or Extraordinary Resolution involving any matter other than a Basic Terms Modification that is passed by the holders of a Class of Notes which is not the Most Senior Class of Notes shall be effective unless it is sanctioned by an Ordinary Resolution or Extraordinary Resolution, as the case may be, of the Most Senior Class of Noteholders.

19.2 *Binding nature of the Resolutions*

Any Resolution passed at a Meeting of the Noteholders of one or more Classes of Notes duly convened and held in accordance with these Rules shall be binding upon all Noteholders of such Class or Classes, whether or not present at such Meeting and whether or not dissenting and whether or not voting and, except in the case of Meeting relating to a Basic Terms Modification, any Resolution passed at a meeting of the then Most Senior Class of Noteholders duly convened and held as aforesaid shall also be binding upon all the other Class of Noteholders. In each such case, all of the relevant Classes of Noteholders shall be bound to give effect to any such resolutions accordingly.

19.3 *Conflict between Noteholders and Other Issuer Creditors*

The Representative of the Noteholders, as regards the exercise and performance of all its powers, authorities, duties and discretion under the Transaction Documents (except where expressly provided otherwise), shall have regard to the interests of both the Noteholders and the Other Issuer Creditors provided that if, in the opinion of the Representative of the Noteholders, there is a conflict between the interests of the Noteholders and of the Other Issuer Creditors, the Representative of the Noteholders shall have regard solely to the interests of the Noteholders.

In addition, if at any time there is, in the opinion of the Representative of the Noteholders, a conflict between the interests of the Other Issuer Creditors, then the Representative of the Noteholders shall have regard to the interests of whichever of the Other Issuer Creditors ranks higher in the applicable Priority of Payments for the payment of the amounts therein specified.

Finally, if there is, in the opinion of the Representative of the Noteholders, a conflict between the interests of the holders of Senior and Junior Notes, then the Representative of the Noteholders shall have regard only to the interests of the Most Senior Class of Noteholders.

19.4 *Resolution of the Junior Noteholders*

For the avoidance of doubt, amendments or modifications which do not affect the payment of interest and/or the repayment of principal in respect of any of the Senior Notes and/or the Mezzanine Notes and/or any other interest or rights of the holders of the Senior Notes and/or the Mezzanine Notes and that do not constitute Basic Terms Modifications may be passed at a Meeting of the Junior

Noteholders without any sanction being required by the holders of the Senior Notes and/or the Mezzanine Notes.

19.5 *Joint Meetings*

Subject to the provisions of these Rules and the Terms and Conditions, if the Representative of the Noteholders considers it is not detrimental to the holders of any relevant Class of Notes, joint meetings of the holders of the Senior Notes and of the Junior Noteholders may be held to consider the same Resolution and the provisions of these Rules shall apply *mutatis mutandis* thereto.

19.6 *Separate and combined Meetings of the Noteholders*

Subject to the aforesaid provisions of this Article 19, the following provisions shall apply where outstanding Notes belong to more than one Class:

(a) business which, in the sole opinion of the Representative of the Noteholders, affects only one Class of Notes shall be transacted at a separate Meeting of the Noteholders of such Class;

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

(c) business which, in the opinion of the Representative of the Noteholders, affects the Noteholders of more than one Class of Notes and gives rise to an actual or potential conflict of interest between the Noteholders of one such Class of Notes and the Noteholders of the other Class of Notes shall be transacted at separate Meetings of the Noteholders of each such Class.

In this paragraph "**business**" includes (without limitation) the passing or rejection of any Resolution.

19.7 *Notice of Resolution*

Within 14 days after the conclusion of each Meeting, the Issuer shall give notice, in accordance with Condition 17 (*Notices*), of the result of the votes on each resolution put to the Meeting. Such notice shall also be sent by the Issuer (or its agents) to the Paying Agents and the Representative of the Noteholders.

20 Challenge of Resolution

Any absent or dissenting Noteholder has the right to challenge Resolutions which are not passed in compliance with the provisions of these Rules.

21 Minutes

Minutes shall be made of all resolutions and proceedings of each Meeting. The Minutes shall be signed by the Chairman and shall be *prima facie* evidence of the proceedings therein recorded. Unless and until the contrary is proved, every Meeting in respect of which minutes have been signed by the Chairman shall be regarded as having been duly convened and held and all resolutions passed or proceedings transacted shall be regarded as having been duly passed and transacted.

22 Written Resolution

Notwithstanding the formalities required by Article 6, a Meeting is validly held if a resolution in writing is signed by or on behalf of all Noteholders of the relevant Class or Classes who at any relevant time are entitled to participate in a Meeting in accordance with the provisions of these Rules, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more of such Noteholders (the "**Written Resolution**").

A Written Resolution shall take effect as if it were an Extraordinary Resolution or an Ordinary Resolution, in respect of matters to be determined by Ordinary Resolution.

23 Individual Actions and Remedies

23.1 *Individual actions of the Noteholders*

Each Noteholder is deemed to have accepted and is bound by the limited recourse and non-petition provisions of Condition 9 *(Non petition and limited recourse)*. Accordingly, the right of each Noteholder to bring individual actions or use other individual remedies to enforce his/her rights under the Notes or the Transaction Documents will be subject to a Meeting passing an Extraordinary Resolution authorising such individual action or other remedy. In this respect, the following provisions shall apply:

(a) the Noteholder intending to enforce his/her rights under the Notes or the Transaction Documents will notify the Representative of the Noteholders of his/her intention;

(b) the Representative of the Noteholders will, without delay, call a Meeting in accordance with these Rules at the expense of such Noteholder;

(c) if the Meeting passes a resolution objecting to the enforcement of the individual action or remedy, the Noteholder will be prevented from taking such action or remedy (without prejudice to the fact that after a reasonable period of time, the same matter may be resubmitted for review of another Meeting); and

(d) if the Meeting of Noteholders authorises such individual action or remedy, the Noteholder will not be prohibited from taking such individual action or remedy.

23.2 *Individual actions subject to Resolution*

No Noteholder will be permitted to take any individual action or remedy to enforce his/her rights under the Notes or the Transaction Documents unless a Meeting has been held to resolve on such action or remedy in accordance with the provisions of this Article 23.

23.3 *Breach of Condition 9 (Non petition and limited recourse)*

No Noteholder shall be permitted to take any individual action or remedy to enforce his/her rights under the Notes or the Transaction Documents in the event that such action or remedy would cause or result in a breach of Condition 9 *(Non petition and limited recourse)*.

23.4 *Exclusive power of the Representative of the Noteholders*

Save as provided in this Article 23, only the Representative of the Noteholders may pursue the remedies available under the general law or the Transaction Documents to obtain payment of obligations or to enforce the Security and no Noteholder shall be entitled to proceed directly against the Issuer to obtain or enforce such remedies.

24 Further Regulations

Subject to all other provisions contained in these Rules, the Representative of the Noteholders may, without the consent of the Issuer, prescribe such further regulations regarding the holding of Meetings and attendance and voting at them and/or the provisions of a Written Resolution as the Representative of the Noteholders in its sole discretion may decide.

TITLE III

THE REPRESENTATIVE OF THE NOTEHOLDERS

25 Appointment, Removal and Remuneration

25.1 *Appointment*

The appointment of the Representative of the Noteholders takes place by Extraordinary Resolution of the Most Senior Class of Noteholders in accordance with the provisions of this Article 25, except for the appointment of the first Representative of the Noteholders which will be Securitisation Services S.p.A.

25.2 *Requirements for the Representative of the Noteholders*

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

(b) a company or financial institution enrolled with the register held by the Bank of Italy pursuant to article 106 of the Banking Act; or

(c) any other entity which is not prohibited from acting in the capacity of Representative of the Noteholders pursuant to the law.

25.3 *Directors and auditors of the Issuer*

The director/s and auditors of the Issuer cannot be appointed as Representative of the Noteholders, and if appointed as such they shall be automatically removed.

25.4 *Duration of appointment*

Unless the Representative of the Noteholders is removed by Extraordinary Resolution pursuant to Title II above or it resigns in accordance with Article 27, it shall remain in office until full repayment or cancellation of all the Notes.

25.5 *Removal*

The Representative of the Noteholders may be removed by Extraordinary Resolution of the Most Senior Class of Noteholders at any time.

25.6 *Office after termination*

In the event of a termination of the appointment of the Representative of the Noteholders for any reason whatsoever, such Representative of the Noteholders shall remain in office until a substitute Representative of the Noteholders, which shall be a subject among those listed in Article 25.2, paragraphs (a), (b), and (c) above, accepts its appointment, and the powers and authority of the Representative of the Noteholders whose appointment has been terminated shall, pending the acceptance of its appointment by the substitute, be limited to those necessary to perform the essential functions required in connection with the Notes.

25.7 *Remuneration*

As consideration for its duties and services carried out in connection with the Securitisation, the Issuer will pay to the Representative of the Noteholders for its services as Representative of the Noteholders as from the date hereof an annual fee separately agreed and documented in a fee letter, payable quarterly in arrears on each Payment Date. In the event of the Representative of the Noteholders considering it expedient or necessary or being requested by the Issuer to undertake duties which the Representative of the Noteholders and the Issuer agree to be of an exceptional nature or otherwise outside the scope of the normal duties of the Representative of the Noteholders hereunder, the Issuer will pay to the Representative of the Noteholders such additional remuneration as will be agreed between them. In any event of the Representative of the Noteholders and the Issuer failing to agree upon whether such duties shall be of an exceptional nature or otherwise outside the scope of the normal duties of the Representative of the Noteholders hereunder, or upon such additional remuneration, then such matter will be determined by three investment banks (acting as experts and not as arbitrators), two of which selected by the Representative of the Noteholders and one of which selected by the Issuer (the expenses involved in such nomination and the fees of such investment banks being payable by the Issuer), and the joint determination (which may be taken by

majority and does not need to be unanimous) of such investment banks will be final and binding upon the Representative of the Noteholders and the Issuer. The above fees and remuneration will be payable in accordance with the applicable Priority of Payments up to (and including) the date when the Notes have been repaid in full or cancelled in accordance with the Terms and Conditions.

26 Duties and Powers of the Representative of the Noteholders

26.1 *Legal representative of the Organisation of the Noteholders*

The Representative of the Noteholders is the legal representative of the Organisation of the Noteholders and has the power to exercise the rights conferred on it pursuant to the Transaction Documents in order to protect the interests of the Noteholders.

26.2 *Meetings and implementation of Resolutions*

Subject to Article 28.9, the Representative of the Noteholders is responsible for implementing all resolutions of the Noteholders and has the right to convene Meetings to propose any course of action which it considers from time to time necessary or desirable.

26.3 *Delegation*

26.3.1 The Representative of the Noteholders may also, whenever it considers it expedient and in the interest of the Noteholders, whether by power of attorney or otherwise, delegate to any person(s) specific activities vested in it as aforesaid.

26.3.2 The terms and conditions (including power to sub-delegate) of such appointment shall be established by the Representative of the Noteholders depending on what it deems suitable in the interests of the Noteholders.

26.3.3 The Representative of the Noteholders shall not, other than in the normal course of its business, be bound to supervise the acts or proceedings of such delegate or sub-delegate and shall not in any way or to any extent be responsible for any loss incurred by any misconduct, omission or default on the part of such delegate or sub-delegate, *provided that* the Representative of the Noteholders shall use all reasonable care in the appointment of any such delegate (*culpa in eligendo*) and shall be responsible for the instructions given by it to such delegate.

26.3.4 As soon as reasonably practicable, the Representative of the Noteholders shall give notice to the Issuer of the appointment of any delegate and any renewal, extension and termination of such appointment, and shall procure that any delegate shall give notice to the Issuer of the appointment of any sub-delegate as soon as reasonably practicable.

26.4 *Judicial proceedings*

The Representative of the Noteholders is authorised to represent the Organisation of the Noteholders, *inter alia*, in any judicial proceedings.

27 Resignation of the Representative of the Noteholders

27.1 *Resignation*

The Representative of the Noteholders may resign at any time by giving at least three calendar months' written notice to the Issuer, with no need to provide any specific reason for the resignation and without being responsible for any costs incurred as a result of such resignation.

27.2 *Effectiveness*

The resignation of the Representative of the Noteholders shall not become effective until a new Representative of the Noteholders has been appointed by an Extraordinary Resolution of the Most Senior Class of Noteholders and such new Representative of the Noteholders has accepted its appointment *provided that* if the Noteholders fail to select a new Representative of the Noteholders within three months of written notice of resignation delivered by the Representative of the

Noteholders, the Representative of the Noteholders may appoint a successor which is a qualifying entity pursuant to Article 25.

28 Exoneration of the Representative of the Noteholders

28.1 *Limited obligations*

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

28.2 *Other limitations*

Without limiting the generality of Article 28.1, the Representative of the Noteholders:

(i) shall not be under any obligation to take any steps to ascertain whether a Trigger Event or any other event, condition or act, the occurrence of which would cause a right or remedy to become exercisable by the Representative of the Noteholders hereunder or under any other Transaction Document has occurred, and until the Representative of the Noteholders has actual knowledge or express notice to the contrary, it shall be entitled to assume that no Trigger Event has occurred;

(ii) shall not be under any obligation to monitor or supervise the observance and performance by the Issuer or any other parties of their obligations contained in the Terms and Conditions and hereunder or, as the case may be, in any Transaction Document to which each such party is a party, and until it shall have actual knowledge or express notice to the contrary, the Representative of the Noteholders shall be entitled to assume that the Issuer and each other party to the Transaction Documents are carefully observing and performing all of their respective obligations;

(iii) except as otherwise required under these Rules or the Transaction Documents, shall not be under any obligation to give notice to any person of its activities in performance of the provisions of these Rules or any other Transaction Document;

(iv) shall not be responsible for (or for investigating) the legality, validity, effectiveness, adequacy, suitability or genuineness of these Rules or of any Transaction Document, or of any other document or any obligation or rights created or purported to be created hereby or thereby or pursuant hereto or thereto, and (without prejudice to the generality of the foregoing) it shall not have any responsibility for or have any duty to make any investigation in respect of or in any way be liable whatsoever for:

(1) the nature, status, creditworthiness or solvency of the Issuer;

(2) the existence, accuracy or sufficiency of any legal or other opinion, search, report, certificate, valuation or investigation delivered or obtained or required to be delivered or obtained at any time in connection herewith;

(3) the suitability, adequacy or sufficiency of any collection procedure operated by the Servicer or compliance therewith;

(4) the failure by the Issuer to obtain or comply with any licence, consent or other authority in connection with the purchase or administration of the Aggregate Portfolio; and

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

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

(vi) shall have no responsibility to procure that the Rating Agencies or any other credit or rating assessment institution or any other subject maintain the rating of the Senior Notes and the

Mezzanine Notes;

(vii) shall not be responsible for (or for investigating) any matter which is the subject of any recital, statement, warranty or representation by any party other than the Representative of the Noteholders contained herein or in any Transaction Document or any certificate, document or agreement relating thereto or for the execution, legality, validity, effectiveness, enforceability or admissibility in evidence thereof;

(viii) shall not be bound or concerned to examine or enquire into or be liable for any defect or failure in the right or title of the Issuer in relation to the Aggregate Portfolio or any part thereof, whether such defect or failure was known to the Representative of the Noteholders or might have been discovered upon examination or enquiry or whether capable of being remedied or not;

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

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

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

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

(xiii) shall not be responsible for reviewing or investigating any report relating to the Aggregate Portfolio provided by any person;

(xiv) shall not be responsible for or have any liability with respect to any loss or damage arising from the realisation of the Aggregate Portfolio or any part thereof;

(xv) shall not be responsible for (except as otherwise provided in the Terms and Conditions or in the Transaction Documents) making or verifying any determination or calculation in respect of the Aggregate Portfolio and the Notes; and

(xvi) shall not be deemed responsible for having acted pursuant to instructions received from the Meeting, even if it is later discovered that the Meeting had not been validly convened or constituted, and that such resolution had not been duly approved or was not otherwise valid or binding for the Noteholders.

28.3 *Discretion*

28.3.1 The Representative of the Noteholders:

(i) save as expressly otherwise provided herein, shall have absolute discretion as to the exercise, non-exercise or refraining from exercise of any right, power and discretion vested in the Representative of the Noteholders by these Rules or by operation of law, and the Representative of the Noteholders shall not be responsible for any loss, cost, damage, expense or inconvenience resulting from the exercise, non-exercise or refraining from exercise thereof except insofar as the same are incurred as a result of its wilful default (*dolo*) or gross negligence (*colpa grave*);

(ii) in connection with matters in respect of which the Representative of the Noteholders is entitled to exercise its discretion hereunder, the Representative of

the Noteholders has the right - but not the obligation - to convene a Meeting or Meetings in order to obtain the Noteholders' instructions as to how it should act. Prior to undertaking any action, the Representative of the Noteholders shall be entitled to request that the Noteholders indemnify it and/or provide it with security to its satisfaction against all actions, proceedings, claims and demands which may be brought against it and against all costs, charges, damages, expenses and liabilities which it may incur by taking such action;

(iii) may certify whether or not a Trigger Event is in its opinion prejudicial to the interest of the Noteholders and any such certification shall be conclusive and binding upon the Issuer, the Noteholders, the Other Issuer Creditors and any other subject party to the Transaction Documents;

(iv) may determine whether or not a default in the performance by the Issuer or the Seller of any obligation under the provisions of these Rules, the Notes or any other Transaction Documents may be remedied, and if the Representative of the Noteholders certifies that any such default is, in its opinion, not capable of being remedied, such certificate shall be conclusive and binding upon the Issuer, the Seller, the Noteholders, the Other Issuer Creditors and any other party to the Transaction Documents;

28.3.2 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.

28.4 *Certificates*

The Representative of the Noteholders:

(i) may act on the advice of or a certificate or opinion of or any information obtained from any lawyer, accountant, banker, broker, credit or rating agency or other expert whether obtained by the Issuer, the Representative of the Noteholders or otherwise, and shall not be responsible for any loss incurred by so acting in the absence of gross negligence (*colpa grave*) or wilful default (*dolo*) on the part of the Representative of the Noteholders;

(ii) may call for, and shall be at liberty to accept as sufficient evidence of any fact or matter, a certificate duly signed by the Issuer, and the Representative of the Noteholders shall not be bound in any such case to call for further evidence or be responsible for any loss that may be incurred as a result of acting on such certificate unless it has information which casts a doubt on the truthfulness of the certificates signed by the Issuer;

(iii) shall have the right to call for (or have the Issuer call for) and to rely on written attestations issued by any one of the parties to the Intercreditor Agreement, or by any Other Issuer Creditor or by a Rating Agencies. The Representative of the Noteholders shall not be required to seek additional evidence and shall not be held responsible for any loss, liability, cost, damage, expense, or charge incurred as a result of having failed to do so.

28.5 *Ownership of the Notes*

28.5.1 In order to ascertain ownership of the Notes, the Representative of the Noteholders may fully rely on the certificates issued by any authorised institution listed in article 30 of Decree No. 213, which certificates are conclusive proof of the statements attested to therein.

28.5.2 The Representative of the Noteholders may assume without enquiry that no Notes are, at any given time, held by or for the benefit of the Issuer

28.6 *Certificates of Monte Titoli Account Holders*

The Representative of the Noteholders, in order to ascertain ownership of the Notes, may fully rely on the certificates issued by any Monte Titoli Account Holder in accordance with Regulation 13

August 2018, as amended from time to time, which certificates are to be conclusive proof of the matters certified therein.

28.7 *Certificates of Clearing Systems*

The Representative of the Noteholders shall be at liberty to call for and to rely on as sufficient evidence of the facts stated therein, a certificate, letter or confirmation certified as true and accurate and signed on behalf of such clearing system as the Representative of the Noteholders considers appropriate, or any form of record made by any clearing system, to the effect that at any particular time or throughout any particular period any particular person is, or was, or will be, shown its records as entitled to a particular number of Notes.

28.8 *Rating Agencies*

The Representative of the Noteholders shall be entitled to assume, for the purposes of exercising any power, authority, duty or discretion under or in relation to these Rules, that such exercise will not be materially prejudicial to the interest of the Noteholders if, along with other factors, the Rating Agencies have confirmed that the then current rating of the Rated Notes would not be adversely affected by such exercise, or have otherwise given their consent. Notwithstanding the foregoing, it is agreed and acknowledged by the Representative of the Noteholders and notified to the Noteholders that a credit rating is an assessment of credit and does not address other matters that may be of relevance to the Noteholders, and it is expressly agreed and acknowledged that such confirmation does not impose on or extend any actual or contingent liability for the Rating Agencies to the Representative of the Noteholders, the Noteholders or any other third party or create legal relations between the Rating Agencies and the Representative of the Noteholders, the Noteholders or any other third party by way of contract or otherwise. If the Representative of the Noteholders, in order properly to exercise its rights or fulfil its obligations, deems it necessary to obtain the valuation of the Rating Agencies regarding how a specific act would affect the rating of the Rated Notes, the Representative of the Noteholders shall so inform the Issuer, which will have to obtain the valuation at its expense on behalf of the Representative of the Noteholders, unless the Representative of the Noteholders wishes to seek and obtain the valuation itself.

28.9 *Illegality*

No provision of these Rules shall require the Representative of the Noteholders to do anything which may be illegal or contrary to applicable law or regulations or to expend or otherwise risk its own funds or otherwise incur any financial liability in the performance of any of its duties, or in the exercise of any of its powers or discretion, and the Representative of the Noteholders may refrain from taking any action which would or might, in its opinion, be contrary to any law of any jurisdiction or any regulation or directive of any agency of any state, or if it has reasonable grounds to believe that it will not be reimbursed for any funds it expends, or that it will not be indemnified against any loss or liability which it may incur as a consequence of such action. The Representative of the Noteholders may do anything which, in its opinion, is necessary to comply with any such law, regulation or directive as aforesaid.

29 Amendments to the Transaction Documents

29.1 *Consent of the Representative of the Noteholders*

The Representative of the Noteholders may agree to any amendment or modification to these Rules or to any of the Transaction Documents, without the prior consent or sanction of the Noteholders if in its sole opinion:

(i) it is expedient to make such amendment or modification in order to correct a manifest error or an error of a formal, minor or technical nature; or

(ii) save as provided under paragraph (i) above, such amendment or modification (which shall be other than in respect of a Basic Terms Modification or any provision in these Rules which makes a reference to the definition of "Basic Terms Modification") is not materially

prejudicial to the interest of the Most Senior Class of Noteholders.

29.2 *Binding nature of amendments*

Any such amendment or modification shall be binding on the Noteholders and the Other Issuer Creditors and, unless the Representative of the Noteholders otherwise agrees, the Issuer shall procure that such amendment or modification be notified to the Noteholders and the Other Issuer Creditors as soon as practicable thereafter.

30 Security Documents

30.1 *Exercise of rights under the Security Documents*

The Representative of the Noteholders shall have the right to exercise all the rights granted by the Issuer to Noteholders which have the benefit of the Spanish Deed of Pledge. The beneficiaries of the Spanish Deed of Pledge are referred to as the "**Secured Noteholders**".

30.2 *Rights of the Representative of the Noteholders*

The Representative of the Noteholders, acting on behalf of the Secured Noteholders, shall be entitled to:

(a) appoint and entrust the Issuer to collect, in the Secured Noteholders' interest and on their behalf, any amounts deriving from the Note Security and may instruct, jointly with the Issuer, the obligors whose obligations form part of the Note Security to make any payments to be made thereunder to the relevant Account;

(b) procure that the accounts to which payments have been made in respect of the Note Security are operated in compliance with the provisions of the Cash Allocation, Management and Payment Agreement. For such purpose and until a Trigger Notice is served, the Representative of the Noteholders, acting in the name and on behalf of the Secured Noteholders, shall appoint the Issuer to manage such Accounts in compliance with the Cash Allocation, Management and Payment Agreement;

(c) procure that all funds credited to the relevant Accounts from time to time are applied in accordance with the Cash Allocation, Management and Payment Agreement and the Intercreditor Agreement; and

(d) procure that the funds from time to time deriving from the pledged receivables and the amounts standing to the credit of the relevant Accounts are applied towards satisfaction not only of the amounts due to the Secured Noteholders, but also of such amounts due and payable to any other parties that rank prior to the Secured Noteholders according to the applicable Priority of Payments set forth in the Terms and Conditions, and to the extent that all amounts due and payable to the Secured Noteholders have been paid in full, that any remaining amount be used towards satisfaction of any amounts due to any other parties that rank below the Secured Noteholders.

30.3 *Waiver of the Secured Noteholders*

The Secured Noteholders irrevocably waive any right they may have in relation to any amount deriving from time to time from the pledged receivables or credited to the Accounts which is not in accordance with the provisions of this Article 30.

31 Indemnity

31.1 *Indemnification*

Pursuant to the Subscription Agreement, the Issuer has covenanted and undertaken to reimburse, pay or discharge (on a full indemnity basis) upon demand, to the extent not already reimbursed, paid or discharged by the Noteholders, all costs, liabilities, losses, charges, expenses, damages, actions, proceedings, receivables and demand (including, without limitation, legal fees and any applicable tax, value added tax or similar tax) properly incurred by or made against the

Representative of the Noteholders or any subject to which the Representative of the Noteholders has delegated any power, authority or discretion in relation to the exercise or purported exercise of its powers, authority and discretion and the performance of its duties under and otherwise in relation to these Rules and the Transaction Documents, including but not limited to legal and travelling expenses, and any stamp, issue, registration, documentary and other taxes or duties paid by the Representative of the Noteholders in connection with any action and/or legal proceedings brought or contemplated by the Representative of the Noteholders pursuant to the Transaction Documents against the Issuer, or any other person to enforce any obligation under these Rules, the Notes or the Transaction Documents

31.2 *Liability*

Notwithstanding any other provision of these Rules, the Representative of the Noteholders shall not be liable for any act, matter or thing done or omitted in any way in connection with the Transaction Documents, the Notes or these Rules except in relation to gross negligence (*colpa grave*) or wilful default (*dolo*) of the Representative of the Noteholders.

TITLE IV

THE ORGANISATION OF THE NOTEHOLDERS AFTER SERVICE OF A TRIGGER NOTICE

32 Powers

It is hereby acknowledged that, pursuant to the Mandate Agreement, the Representative of the Noteholders, in its capacity as legal representative of the Organisation of the Noteholders, shall be entitled - also in the interest of the Other Issuer Creditors, pursuant to articles 1411 and 1723 of the Italian Civil Code - to exercise certain rights in relation to the Aggregate Portfolio. The Representative of the Noteholders, in its capacity as legal representative of the Organisation of the Noteholders, will be authorised, pursuant to the terms of the Mandate Agreement, to exercise, in the name and on behalf of the Issuer and as *mandatario in rem propriam* of the Issuer, any and all of the Issuer's rights under certain Transaction Documents, including the right to give directions and instructions to the relevant parties to the relevant Transaction Documents.

TITLE V

GOVERNING LAW AND JURISDICTION

33 Governing law and Jurisdiction

33.1 *Governing law*

These Rules and any non-contractual obligations arising out of or in connection with them are governed by, and will be construed in accordance with the laws of the Republic of Italy.

33.2 *Jurisdiction*

The Courts of Turin shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with these Rules.

USE OF NET PROCEEDS

Subject to the terms and conditions of the Subscription Agreement, on the Issue Date, Santander Consumer Bank shall discharge its obligation to pay to the Issuer the relevant aggregate subscription moneys due by it in respect of the Notes, being equal to Euro 746,498,000, by way of set off (*pro tanto*) against the Purchase Price of the Initial Portfolio due by the Issuer to it pursuant to the Master Transfer Agreement.

Further, the net funds available to the Issuer on the Issue Date which will be drawn down by the Issuer under the Subordinated Loan Agreement, in an amount equal to € 8,530,000, will be applied by the Issuer on the Issue Date:

(a) to credit € 30,000 to the Expenses Account; and

(b) to credit € 8,500,000 to the Cash Reserve Account.

DESCRIPTION OF THE MASTER TRANSFER AGREEMENT

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

General

On the Initial Transfer Date the Seller and the Issuer entered into the Master Transfer Agreement under which they agreed the terms and conditions for the assignment and transfer from the Seller to the Issuer of the Portfolios of the Receivables owed to the Seller by the Debtors thereunder, pursuant to the relevant Consumer Loan Agreements entered into between the Seller and such Debtors.

Each assignment and transfer of Receivables under the Master Transfer Agreement was made (in case of the Initial Portfolio) and will be made (in case of each Subsequent Portfolio) without recourse (*pro soluto*) and in accordance with the combined provisions of articles 1 and 4 of the Securitisation Law and the articles of Law 52 referred to therein.

The above method of sale entails that the Notes are backed only by Receivables that are fully owned by the Issuer and not through the use of credit derivatives or other similar financial instruments.

Initial Portfolio and Subsequent Portfolios

Pursuant to the Master Transfer Agreement, the Seller (i) has assigned and transferred without recourse (*pro soluto*) to the Issuer, which has purchased without recourse (*pro soluto*) from the Seller, in accordance with the combined provisions of articles 1 and 4 of the Securitisation Law and the articles of Law 52 referred to therein, the Initial Portfolio, and (ii) during the Revolving Period, may assign and transfer without recourse (*pro soluto*) to the Issuer, which shall purchase without recourse (*pro soluto*) from the Seller, in accordance with the combined provisions of articles 1 and 4 of the Securitisation Law and the articles of Law 52 referred to therein, Subsequent Portfolios.

The transfer of the Receivables included in the Initial Portfolio has been rendered enforceable against any third party creditors of the Seller (including any insolvency receiver of the same) through (i) the publication of a notice of transfer in the Official Gazette no. 13 Part II of 30 January 2020, and (ii) the registration of the transfer in the companies' register of Turin on 27 January 2020. The transfer of the Receivables included in each Subsequent Portfolio will be rendered enforceable against any third party creditors of the Seller (including any insolvency receiver of the same) through the annotation of the monies received from the Issuer as Purchase Price for the relevant Subsequent Portfolio on the Seller's account into which they have been paid, in order for the relevant payment to bear date certain at law (*data certa*) in accordance with the provisions of article 2, paragraph 1, letter b), of Legislative Decree no. 170 of 21 May 2004. For further details, see the Section entitled "*Selected aspects of Italian Law*".

If any of the Purchase Termination Events occurs and, thereafter, a Purchase Termination Notice is served by the Servicer (with copy to the Seller, the Representative of the Noteholders, the Computation Agent and the Rating Agencies), then the Revolving Period will be early terminated and, accordingly, the Seller may not assign and transfer to the Issuer, and the Issuer shall not purchase from the Seller, any further Subsequent Portfolios.

For further details, see Condition 15 (*Purchase Termination Events*) of the section entitled "*Terms and Conditions of the Notes*".

Purchase Price

As consideration for the purchase of the Receivables comprised in each Portfolio, the Issuer shall pay to the Seller the Purchase Price, being equal to the aggregate sum of the Individual Purchase Prices for all the Receivables comprised in the relevant Portfolio.

The Individual Purchase Price for the Receivables relating to each Loan is equal to the relevant Outstanding Principal, calculated as at the relevant Valuation Date.

The Purchase Price of the Initial Portfolio is equal to €746,498,038.75. Subject to the terms and conditions of the Master Transfer Agreement, the Purchase Price of the Initial Portfolio will be paid by the Issuer to the Seller on the Issue Date using part of the net proceeds of the issuance of the Notes.

Subject to the terms and conditions of the Master Transfer Agreement, the Purchase Price for each Subsequent Portfolio will be paid by the Issuer to the Seller through the Principal Available Funds applicable for such payment in accordance with the Pre-Trigger Priority of Payments.

No interest shall accrue on any amount due as Purchase Price from the relevant Valuation Date (included) until the date of payment of the Purchase Price.

Eligibility Criteria and Transfer Limits

The Receivables comprised in the Initial Portfolio and in each Subsequent Portfolio shall, as at the relevant Valuation Date, comply with the Eligibility Criteria set forth under the Master Transfer Agreement. In addition, the Receivables comprised in each Subsequent Portfolio shall, as at the relevant Offer Date, comply with the Transfer Limits.

If it is discovered that any of the Receivables did not meet the Eligibility Criteria or the Transfer Limits as at the relevant date, then the Seller shall repurchase such Receivables and the Purchase Price for the relevant Subsequent Portfolio shall be adjusted in accordance with the provisions of the Master Transfer Agreement.

For further details, see the sections headed "*The Aggregate Portfolio - Eligibility Criteria*" and "*The Aggregate Portfolio - Transfer Limits*".

Purchase Termination Events

Pursuant to the Master Transfer Agreement, the occurrence of any of the following events will constitute a **Purchase Termination Event**:

(a) *Breach of representations and warranties by Santander Consumer Bank*: any of the representations and warranties given by Santander Consumer Bank under any of the Transaction Documents to which it is party is or proves to have been incorrect or misleading when made, or deemed to be made, in any respect *which* is deemed material in the Representative of the Noteholders' opinion when made or repeated, provided that such breach remains unremedied for 30 (thirty) days after the Representative of the Noteholders has given written notice thereof to the Issuer and Santander Consumer Bank declaring that such breach is, in its opinion, materially prejudicial to the interest of the Noteholders; or

(b) *Breach of ratios*:

  (i) the Cumulative Loss Ratio, calculated on the relevant Servicer Report Date, is breached as at the relevant level; or

  (ii) the Delinquency Ratio for the immediately preceding Collection Period, calculated on the relevant Offer Date, is higher than the Delinquency Ratio Threshold; or

  (iii) the Collateral Ratio for the 2 (two) immediately preceding Collection Periods, calculated on the relevant Offer Date, is lower than the Collateral Ratio Threshold; or

(c) *Principal Deficiency*: on any Payment Date, a debit balance remains outstanding on the Class A Principal Deficiency Sub-Ledger or the Class B Principal Deficiency Sub-Ledger following the relevant payments and/or provisions required to be made by the Issuer on such date in accordance with the Pre-Trigger Interest Priority of Payments; or

(d) *Cash Reserve*: on any Payment Date, the amount standing to the credit of the Cash Reserve Account is lower than the Target Cash Reserve Amount following the relevant payments and/or provisions required to be made by the Issuer on such date in accordance with the Pre-Trigger Interest Priority of Payments; or

(e) *Collections*: the Collections are not transferred by the Servicer into the Collection Account, irrevocably and in cleared funds, pursuant to the terms and conditions of the Servicing Agreement; or

(f) *Servicer Report*: other than as a result of force majeure, notwithstanding the occurrence of which the Servicer has used its reasonable endeavours to deliver the Servicer Report in the circumstances, the Servicer fails to deliver a Servicer Report on the due date therefor in accordance with the Servicing Agreement and such failure continues for a period of 7 (seven) Business Days; or

(g) *Subsequent Portfolios*: the Seller fails, during the Revolving Period, to offer for sale to the Issuer Subsequent Portfolios for 3 (three) consecutive Offer Dates; or

(h) *Receipt of a Trigger Notice*: the *Issuer receives a Trigger Notice; or*

(i) *Delivery of a Tax Redemption Notice*: the Issuer delivers a Tax Redemption Notice.

Upon occurrence of a Purchase Termination Event during the Revolving Period, the Servicer shall serve a Purchase Termination Notice on the Issuer (with copy to the Seller, the Computation Agent and the Rating Agencies). It is understood that, in case of delivery of a Trigger Notice by the Representative of the Noteholders or a Tax Redemption Notice by the Issuer, such Trigger Notice or Tax Redemption Notice, as the case may be, will constitute also a Purchase Termination Notice without the need for the service of a separate notice.

Following receipt of a Purchase Termination Notice, the Issuer shall refrain from purchasing any further Subsequent Portfolios and the Amortisation Period will start.

Undue Amounts

Pursuant to article 125-*sexies* of the Consolidated Banking Act, in case of Prepayment of any Loan the relevant Debtor is entitled to the reduction of the aggregate cost of the financing for an amount equal to the Residual Recurring Costs. As a result of such reduction, the Seller would be under the obligation to repay to the Issuer a portion of the Individual Purchase Price of the relevant Receivables relating to the relevant prepaid Loan in an amount equal to the relevant Undue Amounts. Under the Master Transfer Agreement it has been agreed that such repayment obligation shall be discharged through the payment by the Seller in favour of the Issuer of an amount equal to any Undue Amounts which arise upon any Prepayment.

Undertakings

The Master Transfer Agreement also contains a number of undertakings by the Seller in respect of its activities relating to the Receivables. The Seller has undertaken, *inter alia*, 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. In addition, the Seller has undertaken to disclose to the Rating Agencies, without undue delay, any material change from prior underwriting standards occurred during the Revolving Period.

Option to repurchase individual Receivables

Under the Master Transfer Agreement, the Issuer has irrevocably granted to the Seller an option, pursuant to article 1331 of the Italian civil code, to repurchase individual Receivables comprised in the Aggregate Portfolio, pursuant to the terms and subject to the conditions set out below (the **Individual Receivables Repurchase Option**).

The Individual Receivables Repurchase Option can be exercised by the Seller on any date only within the limits set out in paragraphs (a) and (b) below, by serving a written notice on the Issuer with copy to the Representative of the Noteholders (the **Individual Receivables Repurchase Option Exercise Notice**), no later than 5 (five) Business Days prior to the relevant legal effective date (as specified in the relevant Individual Receivables Repurchase Option Exercise Notice), provided that:

(a) the Outstanding Principal, as at the relevant economic effective date (as specified in the relevant Individual Receivables Repurchase Option Exercise Notice), of the Receivables subject to repurchase - plus the aggregate Outstanding Principal, as at the relevant economic effective date (as specified in the relevant Individual Receivables Repurchase Option Exercise Notice), of the Receivables already repurchased - does not exceed (i) for the entire life of the Securitisation, 15.00 per cent. of the aggregate Outstanding Principal, as at the Initial Valuation Date, of all Receivables comprised in the Initial Portfolio; and (ii) on an annual, basis 10.00 per cent. of the aggregate Outstanding Principal, as at the Initial Valuation Date, of all Receivables comprised in the Initial Portfolio. To this extent the Seller shall confirm to the Issuer that such thresholds have not been exceeded in each relevant Individual Receivables Repurchase Option Exercise Notice; and

(b) the Seller has delivered to the Issuer the following certificates:

   a. a solvency certificate signed by a director or other authorised officer of the Seller, in the form attached as schedule 5 to the Master Transfer Agreement, dated no earlier than 30 (thirty) Business Days prior to the date of payment of the relevant repurchase price; and

   b. a good standing certificate issued by the competent companies' register (*certificato di iscrizione nella sezione ordinaria della Camera di Commercio, Industria, Artigianato ed Agricoltura*), dated no earlier than 30 (thirty) Business Days prior to the date of payment of the relevant repurchase price, stating that the Seller is not subject to any insolvency proceeding,

   it being understood that the certificates under letters (A) and (B) above shall be delivered by the Seller to the Issuer only if the Servicer's Owner's long term unsecured and unsubordinated debt obligations ceases to be rated at least "BBB" by Fitch and/or "BBB" by DBRS.

The repurchase price of each repurchased Receivable shall be equal to the Final Determined Amount of such Receivable.

The repurchase of each Receivable will be effective subject to the actual payment in full, on the relevant legal effective date (as specified in the relevant Individual Receivables Repurchase Option Exercise Notice), of an amount equal to the Outstanding Principal, as at the relevant economic effective date, of the relevant Receivable (together, with reference to the Receivables (other than the Defaulted Receivables), with the interest accrued but unpaid on such Outstanding Principal up to (but excluding) the same date) into the Collection Account, provided that on the subsequent Payment Dates the Issuer shall return to the Seller, in accordance with the applicable Priority of Payments, an amount equal to the positive difference between (i) the Outstanding Principal of the relevant Receivable repurchased by the Seller during any preceding Collection Period, and (ii) the Final Determined Amount of such Receivable.

The repurchase of each Receivable (i) shall be made without recourse (*pro soluto*), at risk of the purchaser (*a rischio e pericolo del compratore*) pursuant to article 1488, paragraph 2, of the Italian civil code, without any warranty by the Issuer (including, without limitation, any warranty as to the existence of the Receivables in derogation of article 1266, paragraph 1, of the Italian civil code), and (ii) shall qualify as an aleatory contract (*contratto aleatorio*) pursuant to article 1469 of the Italian civil code.

The Issuer and the Seller have acknowledged and agreed that the Individual Receivables Repurchase Option has been granted by the Issuer to the Seller in exchange for the rights and obligations of each Party vis-à-vis the other Party under the Master Transfer Agreement and the other relevant Transaction Documents. As a result, no further consideration is due by the Seller to the Issuer for the granting of the Individual Receivables Repurchase Option.

The Issuer and the Seller have undertaken to enter into any other agreement, deed and document and perfect any formality as may be necessary and/or expedient in order to render the repurchase of each Receivable legal, valid, binding and enforceable *vis-à-vis* the Borrowers and any third parties.

Any costs, expenses and charges (including Taxes) incurred by either party to the Master Transfer Agreement in connection with the repurchase of any Receivable shall be borne by the Seller.

Option to repurchase the Aggregate Portfolio

Under the Master Transfer Agreement, the Issuer has irrevocably granted to the Seller an option, pursuant to article 1331 of the Italian civil code, to repurchase the Aggregate Portfolio, pursuant to the terms and subject to the conditions set out below (the **Aggregate Portfolio Repurchase Option**).

The Aggregate Portfolio Repurchase Option can be exercised by the Seller only in respect of any Payment Date following the occurrence of a Clean-up Call Event or a Tax Call Event (the **Relevant Payment Date**) by serving a written notice on the Issuer (with copy to the Representative of the Noteholders) (the **Aggregate Portfolio Repurchase Option Exercise Notice**), no later than 30 (thirty) Business Days prior to the Relevant Payment Date, provided that:

(a) the Seller has obtained all the relevant authorisations (including those to be obtained by the Bank of Italy, if any), or made the relevant notices (including those to be made to the Bank of Italy, if any), required by the applicable laws and regulations;

(b) the Seller has delivered to the Issuer the following certificates:

(A) a solvency certificate signed by a director or other authorised officer of the Seller, in the form attached as schedule 5 to the Master Transfer Agreement, dated no earlier than 30 (thirty) Business Days prior to the date of payment of the relevant repurchase price; and

(B) a good standing certificate issued by the competent companies' register *(certificato di iscrizione nella sezione ordinaria della Camera di Commercio, Industria, Artigianato ed Agricoltura*), dated no earlier than 30 (thirty) Business Days prior to the date of payment of the relevant repurchase price, stating that the Seller is not subject to any insolvency proceeding;

(c) the repurchase price of the Aggregate Portfolio (as determined in accordance with paragraph (d) below), together with the other Issuer Available Funds, is sufficient to enable the Issuer to discharge its obligations under the Notes and any obligations ranking in priority thereto, or *pari passu* therewith, on the Relevant Payment Date in accordance with the Conditions.

(d) The repurchase price of the Aggregate Portfolio shall be equal to the Final Repurchase Price.

The repurchase of the Aggregate Portfolio will be effective subject to the actual payment in full of the repurchase price, within 2 (two) Business Days prior to the Relevant Payment Date, into the Payments Account.

The repurchase of the Aggregate Portfolio (i) shall be made without recourse (*pro soluto*), at risk of the purchaser (*a rischio e pericolo del compratore*) pursuant to article 1488, paragraph 2, of the Italian civil code, without any warranty by the Issuer (including, without limitation, any warranty as to the existence of the Receivables comprised in the Aggregate Portfolio in derogation of article 1266, paragraph 1, of the Italian civil code), and (ii) shall qualify as an aleatory contract (*contratto aleatorio*) pursuant to article 1469 of the Italian civil code.

The Issuer and the Seller have acknowledged and agreed that the Aggregate Portfolio Repurchase Option has been granted by the Issuer to the Seller in exchange for the rights and obligations of each party to the Master Transfer Agreement vis-à-vis the other party under the Master Transfer Agreement and the other relevant Transaction Documents. As a result, no further consideration is due by the Seller to the Issuer for the granting of the Aggregate Portfolio Repurchase Option.

The Issuer and the Seller have undertaken to enter into any other agreement, deed and document and perfect any formality as may be necessary and/or expedient in order to render the repurchase of the Aggregate Portfolio valid, effective and enforceable *vis-à-vis* the Borrowers and third parties.

Any costs, expenses and charges (including Taxes) incurred by either party to the Master Transfer Agreement in connection with the repurchase of the Aggregate Portfolio shall be borne by the Seller.

Governing Law

The Master Transfer Agreement and any non-contractual obligations arising out of, or in connection with, it are governed by, and shall be construed in accordance with, Italian law.

DESCRIPTION OF THE SERVICING AGREEMENT

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

General

On 27 January 2020 the Issuer and Santander Consumer Bank entered into the Servicing Agreement, pursuant to which the Issuer appointed Santander Consumer Bank as Servicer of the Receivables and the Servicer has agreed to administer and service the Aggregate Portfolio on behalf of the Issuer and, in particular, to (i) collect and recover amounts due in respect of the Receivables; (ii) administer relationships with the Debtors; and (iii) carry out certain activities in relation to the Receivables, in accordance with the Servicing Agreement.

Santander Consumer Bank will also act as the entity responsible for the collection of the the Receivables and cash and payment services "*soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e pagamento*" pursuant to article 2, paragraph 3(c) of the Securitisation Law. In such capacity, Santander Consumer Bank shall also be responsible for ensuring that such operations comply with all applicable laws and the Prospectus pursuant to article 2, paragraphs 6 and 6-*bis*, of the Securitisation Law.

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

Obligations of the Servicer

Under the Servicing Agrement, the Servicer has undertaken in relation to each of the Consumer Loans and related Receivables to perform, *inter alia*, the following activities:

(a) collect the Collections and to credit them to the Collection Account within 1 (one) Business Day of the day of receipt (for value such day of receipt) by the Servicer, *provided that*, in the case of exceptional circumstances causing an operational delay in the transfer system, the relevant Collections will be transferred in any case into the Collection Account within 3 (three) Business Days of the day of receipt;

(b) strictly comply with the Servicing Agreement and the Credit and Collection Policies;

(c) act, in complying with its obligations under the Servicing Agreement, in good faith and with its best professional diligence and care and, in case of conflict of interests, whether actual or potential, in relation to its role of Servicer and of entity providing services to its clients which are also parties to the Consumer Loan Agreements, have regard primarily to the interests of the Issuer and the Noteholders. In particular, the Servicer, in absence of a specific qualification of a payment by Debtor to whom it has provided other form of financings, will cause, where possible, such payments to be in satisfaction of the relevant Receivables in priority to other claims of the Servicer vis-à-vis such Debtors;

(d) in performing its obligations under the Servicing Agreement, comply with any law applicable in Italy to the activities entrusted to it and subject matter of the Servicing Agreement and, in particular, duly comply with any law and regulation applicable in Italy to the management, collection and recovery of the Receivables, including any Bank of Italy's supervisory regulation. In addition, the Servicer shall co operate with the Issuer and the Corporate Services Provider in relation to the reporting and communication obligations to the Bank of Italy to which the Issuer is subject, delivering or causing the delivery of the required information and/or data;

(e) maintain effective accounting and auditing procedures so as to ensure compliance with the provisions of the Servicing Agreement;

(f) verify that the interest rate applicable to the Loans is in compliance with the provisions of Italian law relating to the payment of interest and, in particular, the Usury Law and all relevant instructions issued by Bank of Italy in respect thereof; and

(g) verify the compliance of article 1283 (*anatocismo*) of the Italian civil code with reference to the 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 and warranted that it has all skills, software, hardware, information technology and human resources necessary to comply with the efficiency standards required by the Servicing Agreement.

Amendments to the Credit and Collection Policies

The Servicer may amend the Credit and Collection Policies only subject to the conditions that the relevant amendments have any of the following purposes and/or characteristics:

(i) they form part of the normal practice of the Servicer and are aimed only at reducing the timing for the collection and recovery of the Receivables and increasing the amount of the Collections in the interest of the Issuer and the Noteholders; or

(ii) they are necessary (A) due to mergers or reorganisations of the Servicer within the Santander Banking Group; (B) to align the Credit and Collection Policies to those of the Santander Banking Group; or (C) to comply with the applicable laws and regulations from time to time in force.

On each Servicer Report Date, the Servicer shall, through the Servicer Report, inform the Issuer, the Representative of the Noteholders, the Arranger and the Rating Agencies of any material amendment made to the Credit and Collection Policies during the immediately preceding Collection Period.

Inspections

Each of the Issuer and/or the Representative of the Noteholders has the right to inspect and take copies of the documentation and records relating to the Receivables for the purposes of allowing the Issuer and/or the Representative of the Noteholders to review the Servicer's conduct of its activities, provided that a 5 (five) Business Days prior written request has been sent by the Issuer and/or the Representative of the Noteholders to the Servicer.

No recourse

The Servicer has undertaken and accepted that, pursuant to the terms of the Servicing Agreement, it will not make any claim against the Issuer for damages, losses, liabilities, costs or expenses of any kind it may have incurred or suffered (including fees and legal expenses incurred in the conduct of its duties under the Servicing Agreement) except where such damages, losses, liabilities, costs or expenses have been caused solely by the wilful misconduct (*dolo*) or gross negligence (*colpa grave*) of the Issuer.

Settlements and Renegotiations

The Servicer may enter into settlement agreements with the Borrowers or otherwise discharge them, in whole or in part, from their payment obligations (each, a **Settlement**) only with respect to Defaulted Receivables and provided that the amounts recovered following any such Settlement Agreement are not lower than those provided for in the Credit and Collection Policies (as may from time to time be updated in accordance with the Servicing Agreement).

The Servicer may agree to any suspension of payments, rescheduling of the amortisation plan or amendment to the interest rate (each, a **Renegotiation**) only with respect to Delinquent Receivables, Defaulted Receivables and Receivables due by Borrowers which may become "unlikely to pay" (any of such Receivables, a **Relevant Receivable**) and within the following limits:

(a) with reference to a Relevant Receivable (other than a Defaulted Receivable), the Outstanding Principal, as at the date of the relevant Renegotiation, of such Relevant Receivable in respect of which the Servicer intends to enter into a Renegotiation, together with the aggregate Outstanding Principal, as at the immediately preceding Collection End Date, of the Relevant Receivables (other than the Defaulted Receivables) already subject to a Renegotiation, does not exceed 15 per cent. of the aggregate Outstanding Principal, as at the Initial Valuation Date, of all Receivables comprised in the Initial Portfolio;

(b) as regards the rescheduling of the amortisation plan:

  (A) the rescheduling does not cause an extension of the final repayment date of a Relevant Receivable beyond the first Payment Date of the year preceding the Final Maturity Date; and

  (B) the Outstanding Principal, as at the date of the relevant rescheduling, of a Relevant Receivable in respect of which the Servicer intends to enter into a rescheduling, together with the aggregate Outstanding Principal, as at the immediately preceding Collection End Date, of the Relevant Receivables already subject to a rescheduling, does not exceed 7.00 per cent. of the aggregate Outstanding Principal, as at the Initial Valuation Date, of all Receivables comprised in the Initial Portfolio.

In the event that the Servicer agrees to any Settlement or Renegotiation other than in the circumstances set out in the Servicing Agreement, the Servicer shall pay to the Issuer, by crediting the relevant amount to the Collection Account:

(a) with respect to any Settlement, an amount equal to the loss resulting therefrom;

(b) with respect to any Renegotiation consisting of any suspension of payments or rescheduling of the amortisation plan, an amount equal to the sums that, following such suspension of payments or rescheduling, would be paid in breach of the due dates contractually agreed; or

(c) with respect to amendments to the rate of interest, an amount equal to the loss resulting therefrom.

The Issuer and the Servicer have acknowledged and agreed that the limits set forth in the Servicing Agreement shall not apply to any settlement, suspension of payments, rescheduling of the amortisation plan, amendment to the interest rate or other contractual amendments resulting from arising from mandatory provisions of law or regulation (including, for the avoidance of doubt, article 125-*bis* of the Consolidated Banking Act), decisions of public authorities or conventions or arrangements of institutional or trade associations.

Disposals

Pursuant to the Servicing Agreement, the Servicer may, in the name and on behalf of the Issuer, sell to a third party one or more Defaulted Receivables (each, a **Disposal**), provided, *inter alia*, that:

(i) the Servicer has tried, with its best professional diligence, to reach a settlement agreement with respect to such Defaulted Receivables with no success;

(ii) in the prudent evaluation of the Servicer, carried out with the best professional diligence, there are no concrete alternative possibilities to recover the Defaulted Receivables in a manner which is economically more convenient in the interest of the Noteholders;

(iii) the Disposal (A) is made without recourse (*pro soluto*), at risk of the purchaser (*a rischio e pericolo del compratore*) pursuant to article 1488, paragraph 2, of the Italian civil code, without any warranty by the Issuer (including, without limitation, any warranty as to the existence of such Defaulted Receivables in derogation of article 1266, paragraph 1, of the Italian civil code), and (B) qualifies as an aleatory contract (*contratto aleatorio*) pursuant to article 1469 of the Italian civil code;

(iv) the purchase price is determined in accordance with market standards and the Disposal is conditional upon the payment of the purchase price;

(v) the Servicer may proceed with the Disposal by means of public auction or any other procedure aimed at maximising the economic result of the Disposal;

(vi) the purchaser is a financial intermediary enrolled with the register held by the Bank of Italy pursuant to article 106 of the Consolidated Banking Act, a bank, a special purpose vehicle incorporated pursuant to the Securitisation Law or any other entity validly established and authorised to purchase receivables in accordance with its by-laws and the applicable laws and regulations;

(vii) the purchaser has delivered to the Issuer (A) a solvency certificate signed by a director or other authorised officer of the purchaser, substantially in the form attached as schedule 5 to the Master Transfer Agreement, dated no earlier than 30 (thirty) Business Days prior to the date of the Disposal; and (B) a good standing certificate issued by the competent companies' register (*certificato di iscrizione nella sezione ordinaria della Camera di Commercio, Industria, Artigianato ed Agricoltura*), dated no earlier than 30 (thirty)Business Days prior to the relevant date of the Disposal, stating that the purchaser is not subject to any insolvency proceeding (or any other equivalent certificate under the jurisdiction in which the purchaser is incorporated).

Sub-delegation of activities

Without prejudice to the other provisions of the Servicing Agreement, the Servicer may sub-delegate to one or more other entities (duly authorised under any laws or regulation from time to time applicable and able to ensure a performance as much efficient and professional as the Servicer) specific activities provided for by the Servicing Agreement, subject to the limitations set out in the supervisory regulations of the Bank of Italy, with the prior notice to the Representative of the Noteholders and the prior notice to the Rating Agencies.

The Servicer will retain primary responsibility for the fulfilment of its obligations under the Servicing Agreement and will be responsible, without any limitation and in express derogation of the provisions of article 1717, second paragraph, of the Italian civil code, for the actions undertaken by any delegate appointed pursuant to the Servicing Agreement. The Servicer undertakes to keep the Issuer harmless in relation to any loss, damage or cost incurred by the latter as a consequence of such sub-delegation, except for any loss, damage or cost deriving from the wilful default (*dolo*) or gross negligence (*colpa grave*) of the Issuer.

All fees, costs and expenses incurred by any delegate appointed pursuant to the Servicing Agreement shall be borne by the Servicer.

Reporting requirements

On or prior to each Servicer Report Date, the Servicer shall prepare and deliver, by means of an agreed computer data transfer mechanism, to the Issuer, the Italian Account Bank, the Spanish Account Bank, the Computation Agent, the Representative of the Noteholders, the Paying Agents, the Corporate Services Provider, the Back-up Servicer Facilitator, the Back-up Servicer (if any), the Arranger and the Rating Agencies, the Servicer Report, substantially in the form of the report set out in Schedule 2 of the Servicing Agreement (as may be subsequently amended in order to include such further information as may be necessary in order for the Computation Agent to prepare and deliver Investors Report pursuant to the Cash Allocation, Management and Payment Agreement in compliance with paragraph (e) of article 7(1) of the

EU Securitisation Regulation and the applicable Regulatory Technical Standards). The first Servicer Report will be prepared and delivered by the Servicer on June 2020.

In addition, the Servicer shall:

(a) prepare the Loan by Loan Report setting out information relating to each Loan in respect of the immediately preceding Collection Period (including, inter alia, the information, if available, related to the environmental performance of the Vehicles), in compliance with point (a) of the first subparagraph of article 7(1) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards, and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available the Loan by Loan Report (simultaneously with the Investors Report) to the investors in the Notes by no later than one month after each Payment Date; and

(b) prepare the Inside Information Report and the Significant Event Report, in compliance with points (f) and (g) respectively of the first subparagraph of article 7(1) of the EU Securitisation and deliver them to the Reporting Entity in a timely manner in order for the Reporting Entity to make available the Inside Information Report and the Significant Event Report (simultaneously with the Investors Report) to the investors in the Notes by no later than one month after each Payment Date and, in any case, without undue delay following the occurrence of the relevant event triggering the delivery of such reports.

Remuneration of the Servicer

In consideration of the performance of its obligations hereunder, the Issuer undertakes to pay to the Servicer on each Payment Date, in accordance with the applicable Priority of Payments:

(a) with respect to the management of the Receivables (other than the Defaulted Receivables and the Delinquent Receivables), a fee calculated in accordance with the following formula:

C = ICRC/100 x 0,125/12 x P

where:

C means the amount of the fee due to the Servicer;

ICRC means the Outstanding Principal the Receivables (net of the Defaulted Receivables and the Delinquent Receivables) as at the beginning of the relevant Collection Period;

P means 3.

Such fee (including VAT, if applicable) shall be set out in each Servicer Report.

(b) with respect to the management, collection and recovery of the Defaulted Receivables and the Delinquent Receivables, a fee equal to 6 per cent. of the Collections recovered in respect of the Defaulted Receivables and the Delinquent Receivables (including VAT, if applicable) made during the Collection Period immediately preceding the relevant Payment Date, as set out in the relevant Servicer Report.

(c) with respect to the consulting and technical assistance activities (other than those set out in paragraphs (a) and (b) above), a quarterly fee of Euro 4,000 (including VAT, if applicable).

Appointment of the Back-up Servicer

If a Servicer's Owner First Rating Event occurs, the Issuer shall appoint as back-up servicer, within 30 (thirty) days from the occurrence of such event, a financial intermediary or bank selected by Santander Consumer Finance which meets the requirements provided for the Substitute Servicers (the **Back-up Servicer**).

The Servicer shall promptly inform the Issuer, the Representative of the Noteholders and the Rating Agencies of the occurrence of a Servicer's Owner First Rating Event.

The appointment of the Back-up Servicer will be made by the Issuer, subject to the prior notice to the Representative of the Noteholders and the Rating Agencies.

In order to effect the appointment of the Back-up Servicer, the Issuer shall, within the aforesaid term of 30 (thirty) days, enter into a back-up servicing agreement with the Servicer and the Back-up Servicer (the **Back-up Servicing Agreement**), whereby, *inter alia*, the Back-up Servicer will undertake to:

(i) at cost of the Servicer, instruct in writing the Debtors and the Insurance Companies to make future payments relating to the Receivables directly into the Collection Account (to the extent the Servicer fails to do so in accordance with the Servicing Agreement); and

(ii) within 30 (thirty) days from the receipt of a notice of termination or resignation pursuant to the Servicing Agreement, (A) replace Santander Consumer Bank as Servicer, substantially on the same terms and conditions of the Servicing Agreement, and (B) adhere to the Intercreditor Agreement and the other Transaction Documents to which the Servicer is a party.

The Issuer shall promptly notify the Representative of the Noteholders and the Rating Agencies of the replacement of Santander Consumer Bank with the Back-up Servicer in the role of Servicer.

Termination and resignation of the Servicer

The Issuer may (or shall, if so requested by the Representative of the Noteholders) terminate the appointment of the Servicer if one of the following events occurs (each, a **Servicer Termination Event**):

(a) the Servicer fails to pay or deposit any amount required to be paid or deposited, unless such failure is remedied within 5 (five) Business Days after the due date thereof and cannot be attributed to force majeure;

(b) the Servicer fails to deliver any of the reports and information set out in the Servicing Agrement, unless such failure is remedied within 3 (three) Business Days after the due date thereof;

(c) the Servicer fails to observe or perform any other term, condition, covenant or agreement provided for under the Servicing Agreement and the other Transaction Documents to which it is a party, unless such failure is remedied within 15 (fifteen) Business Days after the occurrence thereof (to the extent such failure is capable of remedy);

(d) any of the representations and warranties given by the Servicer pursuant to the Servicing Agreement proves to be untrue, incorrect or misleading in any material respect when made or repeated, unless such breach is remedied within 15 (fifteen) Business Days after the occurrence thereof (to the extent such breach is capable of remedy);

(e) an Insolvency Event occurs with respect to the Servicer;

(f) a Servicer Change of Control that negatively affects the current rating of the Rated Notes occurs;

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

(h) the Servicer is or will be unable to meet the current or future legal requirements and the Bank of Italy's regulations for entities acting as servicers in the context of a securitisation transaction.

Notice of any termination of the Servicer's appointment shall be given in writing by the Issuer to the Servicer (with copy to the Back-up Servicer (if any)) subject to the prior written consent of the Representative of the Noteholders and the prior notice to the Rating Agencies.

The Servicer will be entitled to resign from its appointment as Servicer under the Servicing Agreement at any time starting from the date falling 12 (twelve) months after the date of the Servicing Agreement, by serving an at least 12 (twelve)-month prior written notice to the Issuer, the Representative of the Noteholders and the Rating Agencies.

The termination of the appointment of the Servicer or its resignation pursuant to the Servicing Agreement shall be effective from the date on which the Back-up Servicer (if any) (or the Substitute Servicer, as the case may be) assumes the role of servicer pursuant to the Back-up Servicing Agreement (or a new servicing agreement entered into in accordance with the following provisions) and adheres to the Intercreditor Agreement (to the extent it is not already a party to it) and the other Transaction Documents to which Santander Consumer Bank as Servicer is a party. The Servicer shall continue to act as Servicer and meet its obligations under the Servicing Agreement until such date. Under no circumstances shall such termination release Santander Consumer Bank from its obligations in relation to the Receivables under the Master Transfer Agreement and the Warranty and Indemnity Agreement.

Unless Santander Consumer Bank is replaced by the Back-up Servicer (if any) in its role of Servicer, the Issuer shall, within 30 (thirty) days of delivery of a notice of termination or receipt of a notice of resignation, appoint (with the assistance of the Back-up Servicer Facilitator) as substitute servicer (the **Substitute Servicer**) any person:

(c) who meets the requirements of the Securitisation Law and the Bank of Italy to act as Servicer;

(d) who is able to ensure, directly or indirectly, the efficient and professional performance of any activities provided under any laws or regulation from time to time applicable to the Issuer and, if such legislations requires, the production of such information as is necessary to meet the information requirements of the Bank of Italy; and

(e) who has sufficient assets (including personnel and IT system) to ensure the continuous and effective performance of its duties.

The appointment of the Substitute Servicer shall be made by the Issuer with the prior written consent of the Representative of the Noteholders and the prior notice to the Rating Agencies.

Within 10 (ten) Business Days following receipt of a notice of termination or the delivery of a notice of resignation pursuant to the Servicing Agreement, the Servicer (failing which the Back-up Servicer (if any) or the Substitute Servicer, as the case may be), at cost of the Servicer, shall instruct in writing the Borrowers and the Insurance Companies to make future payments relating to the Receivables directly into the Collection Account.

If a Substitute Servicer is appointed, the servicing agreement for such appointment between the Issuer and the Substitute Servicer shall comprise clauses analogous to those herein, *mutatis mutandis*, and any additional provisions that the parties to the new servicing agreement may consider necessary or expedient, provided that the new servicing agreement shall be approved in advance by the Representative of the Noteholders and notified in advance to the Rating Agencies. Furthermore, the Issuer shall procure that, on or about the date of its appointment, the Substitute Servicer accedes to the Intercreditor Agreement and any other Transaction Document to which the outgoing Servicer is a party and undertakes to notify (in the manner required by law and/or most appropriate in the circumstances) the Borrowers and the Insurance Companies of its appointment as Substitute Servicer.

Governing Law

The Servicing Agreement and any non-contractual obligations arising out of, or in connection with, it are governed by, and shall be construed in accordance with, Italian law.

DESCRIPTION OF THE WARRANTY AND INDEMNITY AGREEMENT

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

General

On 27 January 2020, the Seller and the Issuer entered into the Warranty and Indemnity Agreement, pursuant to which the Seller (i) gave certain representations and warranties in favour of the Issuer in relation to the Aggregate Portfolio and (ii) agreed to indemnify the Issuer in respect of certain liabilities of the Issuer incurred in connection with the purchase and ownership of the Aggregate Portfolio.

The Warranty and Indemnity Agreement contains representations and warranties by the Seller in respect of, *inter alia*, the following categories:

(a) The Consumer Loans, the Receivables and the Collateral Security;

(b) data; and

(c) other representations.

Representations and warranties

Consumer Loans, Receivables and Collateral Security

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

(a) (*Compliance with credit policies*) All Consumer Loan Agreements from which the Receivables comprised in the Initial Portfolio arise, and the Receivables comprised in each Subsequent Portfolio will from time to time arise, have been or will be, as the case may be, granted and disbursed by the Seller in accordance with the credit policies from time to time applied by it.

(b) (*Compliance with law*) Each Consumer Loan Agreement has been entered into and performed, and each Consumer Loan has been disbursed, in compliance with all applicable laws and regulations, including, without limitation, all laws and regulations relating to usury, privacy, processing of personal data, protection of consumer rights and transparency in force from time to time.

(c) (*Compliance with specific provisions*) The Consumer Loans are not in breach of the provisions of articles 1283 (*anatocismo*), 1345 (*motivo illecito*) and 1346 (*requisiti*) of the Italian civil code.

(d) (*Compliance with standard form*) All Consumer Loan Agreements have been entered into substantially in compliance with the standard loan agreements from time to time adopted by the Seller. After the relevant signing date, no Consumer Loan Agreement has been amended by extending the relevant amortisation period.

(e) (*Powers of Borrowers*) Each Borrower or Guarantor who has executed a Consumer Loan Agreement, a Collateral Security and, in each case, any signatory to any agreement, deed or document relating thereto, had, on the date of signing of the relevant agreement, deed or document, full powers and authority to enter into such agreement, deed or document and perform its obligations thereunder.

(f) (*Validity and effectiveness*) All Consumer Loan Agreements from which the Receivables comprised in the Initial Portfolio arise, and the Receivables comprised in each Subsequent Portfolio will from time to time arise, have been or will be, as the case may be, validly entered into between the Seller and the relevant Borrower. Each Consumer Loan Agreement and any other agreement, deed or document relating thereto is valid and effective and the obligations undertaken by each party thereto are valid and effective in their entirety.

(g) (*Authorisations*) All authorisations, approvals, ratifications, licences, registrations, annotations, presentations, authentications and any other requirements to be fulfilled in order to ensure the validity, legality, effectiveness or priority of the rights and obligations vested in the contracting parties of each Consumer Loan Agreement and of any other agreement, deed or document relating thereto, as well as in relation to each Collateral Security, have been regularly and unconditionally obtained, made and implemented, within the date of signing of the relevant Consumer Loan Agreement or the date of execution or perfection of the relevant Collateral Security and the making of the relevant disbursement or within the term provided for by law or deemed appropriate to this effect.

(h) (*Disbursement of Consumer Loans*) Each Consumer Loan has been fully disbursed and paid on behalf of the relevant Debtor, as evidenced by the relevant quittance deed, and there is no obligation on the part of the Seller to make any further advance.

(i) (*Error, violence and wilful misconduct*) All Consumer Loan Agreements, Collateral Security and any other agreement, deed or document relating thereto have been entered into without error (*errore*), violence (*violenza*) or wilful misconduct (*dolo*) on the part of or on behalf of the Seller, nor of any of its directors, managers, officers and/or employees, so that neither the Borrowers nor the Guarantors are entitled to sue the Seller for error (*errore*), violence (*violenza*) or wilful misconduct (*dolo*) nor to validly challenge one or more of the obligations undertaken under or in relation to the relevant Consumer Loan Agreement, as well as any other agreement, deed or document relating thereto.

(j) (*Creation of Collateral Security*) Each Collateral Security exists and has been duly granted, created, perfected and maintained, it is valid and effective in accordance with the terms on which it was granted, it meets all the requirements provided for by the applicable law and regulations and is free from material defects.

(k) (*Validity of the Collateral Security*) Starting from the relevant Valuation Date, the Seller has not cancelled, released or reduced, even partially, any Collateral Security relating to the Receivables comprised in the Initial Portfolio or in any Subsequent Portfolio, nor it has consented to its cancellation, release or reduction, except to the extent that such cancellation, release or reduction has been made in compliance with all applicable laws or regulations or following the repayment, in full or in part, of the same Consumer Loan. None of the Consumer Loan Agreements contains clauses which allow the Debtors to cancel, release or reduce the relevant Collateral Security unless and to the extent required by applicable laws and/or regulations.

(l) (*Ownership of Receivables*) Each Receivable is fully and unconditionally in the ownership and availability of the Seller and is not subject to any attachment or seizure, nor to any other encumbrance in favour of third parties, and is freely transferable to the Issuer. The Seller has the exclusive and free ownership of all the Consumer Loans and Receivables and has not transferred, assigned or in any way sold to anyone other than the Issuer (neither in full nor by way of security) any of the Consumer Loans or Receivables, nor it has created or permitted others to create or establish any security, pledge, encumbrance or other right, claim or any third parties' right over one or more Consumer Loans or Receivables in favour of subjects other than the Issuer. Neither the Consumer Loan Agreements nor any other agreement, deed or document relating thereto contain clauses or provisions pursuant to

which the owner of the relevant Receivables is prevented from transferring, assigning them or otherwise dispose of such Receivables, even if only in part.

(m) (*Amount of Receivables*) The amount of each Receivable comprised in the Initial Portfolio relating to each Consumer Loan on the relevant Valuation Date is faithfully set out in Schedule 6 to the Master Transfer Agreement and represents the Outstanding Principal of such Receivable as at such date. The list of Consumer Loans referred to in schedule 6 (*List of Receivables relating to the Initial Portfolio*) to the Master Transfer Agreement constitutes the exact list of all the Consumer Loans from which the Receivables comprised in the Initial Portfolio arise and indicates the Collateral Security (if any) and the Individual Purchase Price for each Receivable comprised in the Initial Portfolio, and the data contained therein are true and correct in all material respects. The amount of each Receivable comprised in each Subsequent Portfolio on the relevant Valuation Date will be faithfully set out in Annex A (*List of Receivables relating to the Subsequent Portfolio*) to the relevant Transfer Agreement and will represent the Outstanding Principal of such Receivable as at such date. The list of the Consumer Loans referred to in Annex B to the relevant Transfer Agreement will constitute the exact list of all the Consumer Loans from which the Receivables comprised in the relevant Subsequent Portfolio arise and will indicate the Collateral Security (if any) and the Individual Purchase Price for each Receivable comprised in the relevant Subsequent Portfolio, and the data contained therein will be true and correct in all material respects. The Outstanding Principal of the Receivables contained in the Initial Portfolio owed to a single Debtor does not exceed Euro 61,061.89.

(n) (*Exemptions and waivers*) No Borrower has been released or exempted, until the Valuation Date of the Receivables comprised in the Initial Portfolio, or will be released or exempted, until the Valuation Date of the Receivables comprised in each Subsequent Portfolio, from its relevant obligations, nor the Seller has subordinated, or will subordinate, with reference to any of such Receivables, its own rights to the rights of other creditors, nor it has waived, or will waive, with reference to any of such Receivables, its rights, except in relation to payments made for the corresponding amount to the satisfaction of the relevant Receivables or in the cases and to the extent required by applicable law or regulations for the purpose of protecting the position of the Seller as owner of such Receivables.

(o) (*Adverse effects*) The assignment of the Receivables comprised in the Initial Portfolio and in each Subsequent Portfolio to the Issuer pursuant to the Master Transfer Agreement and the relevant Transfer Agreement (where applicable) does not and will not prejudice, nor in any way invalidate, the obligations of the Borrowers relating to the payment of the residual amounts due in respect of the Receivables.

(p) (*Currency*) All Consumer Loans and Receivables exist and are expressed in Euro.

(q) (*Applicable law*) All Consumer Loans and Receivables are governed by Italian law.

(r) (*Additional guarantees or security*) The Receivables are not indirectly secured or guaranteed by any security or guarantee other than those falling within the Receivables or the Collateral Security or those however transferred to the Issuer pursuant to the Master Transfer Agreement and the relevant Transfer Agreement (where applicable).

(s) (*Public administration or ecclesiastical institutions*) None of the Debtors is a public administration or an ecclesiastical institution.

(t) (*Absence of other agreements*) The Seller has not entered into, in relation to any of the Consumer Loans and/or any of the Receivables, servicing or syndication agreements with third parties other than the Issuer or which may in any case jeopardise or prejudice in any way the exercise of the Issuer's rights under or in relation the Receivables and the Collateral Security.

(u) (*Absence of unpaid amounts in the Initial Portfolio*) The Consumer Loans from which the Receivables comprised in the Initial Portfolio arise, as listed in schedule 6 (*List of Receivables relating to the Initial Portfolio*) to the Master Transfer Agreement, do not have Unpaid Instalments and have never had more than 3 (three) (even non-consecutive) Unpaid Instalments at the same time.

(v) (*Absence of unpaid amounts in the Subsequent Portfolios*) The Consumer Loans from which the Receivables comprised in each Subsequent Portfolio will arise, as from time to time listed in Annex A (*List of Receivables relating to the Subsequent Portfolio*) to the relevant Transfer Agreement, on the relevant Valuation Date shall have no Unpaid Instalments and shall never have had more than three (even non-consecutive) Unpaid Instalments at the same time.

(w) (*Fulfilment of obligations*) Without prejudice to the representations under paragraphs (u) and (v) above, each of the obligations resulting from the Consumer Loan Agreements has been regularly and timely fulfilled by each Debtor, and none of the terms and conditions of the Consumer Loan Agreements have been breached.

(x) (*Debtors*) The Consumer Loans are granted to Debtors which, as at the date of signing of the relevant Consumer Loan Agreement, are individuals (*persone fisiche*) who, as at the relevant Valuation Date, are resident in Italy;

(y) (*Excluded loans*) The Consumer Loans do not include:

(i) loans from which receivables classified at any time as Defaulted Receivables arise;

(ii) loans granted to employees, agents or representatives of the Seller;

(iii) loans in respect of which the relevant Vehicle has not yet been delivered to the relevant Debtor; and

(iv) loans disbursed on the basis of allowances made available pursuant to any law (including regional and/or provincial laws) or regulation which provides for contributions or financial aids on account of principal and/or interest.

(z) (*Accounts, registers and books*) The Seller is in possession of books, registers, data and documentation relating to the Consumer Loan Agreements, all the Instalments and other amounts to be paid or reimbursed pursuant thereto, which are complete in any material respect and are kept by the Seller.

(aa) (*Disbursement, administration and collection*) The disbursement, management, administration and collection policies applied by the Seller in relation to each Consumer Loan, each Collateral Security and each Receivable comply in all respects with all applicable laws and regulations and have been applied with care, professionalism and diligence, and in accordance with the prudential rules and the management, collection and recovery policies from time to time applied by the Seller, as well as in compliance with all the usual cautions and practices followed in the financing activity.

(bb) (*Taxes and duties*) All taxes, duties and fees of any kind to be paid by the Seller in relation to each Consumer Loan during the period starting from the disbursement of the Consumer Loan to the relevant Transfer Date, as well as in relation to the creation and preservation of each Collateral Security and to the execution of any other agreement, deed or document or to the execution and fulfilment of any relevant action or formality, have been or will be, as the case may be, regularly and timely paid by the Seller.

(cc) (*Interest rates on Consumer Loans*) The interest rates applicable on the Consumer Loans (i) have always been or will be, as the case may be, applied, owed and received in full

compliance with the laws applicable from time to time (including, in particular, the Usury Law, where applicable); (ii) are or will be, as the case may be, true and correct; and (iii) are or will be, as the case may be, fixed interest rates, which are not subject to reductions or changes for the entire duration of the Consumer Loan, without prejudice for the right of the Debtor to refinance the Balloon Instalment in accordance with the terms and conditions set forth under the relevant Consumer Loan Agreement.

(dd) (*Payment methods*) The Consumer Loan Agreements provide for the payment of the Instalments by way of (i) bank account direct debit - SDD on the bank account of the relevant Debtor or (ii) postal bill.

(ee) (*Borrowers' rights*) None of the Borrowers is entitled to withdraw (save for the right of withdrawal provided for by the relevant Consumer Loan Agreement), terminate, challenge, off-set or claim the applicability of one or more of the terms of any of the Consumer Loan Agreements or Collateral Security or any other agreement, deed or document relating thereto, or in respect of the amounts payable or repayable pursuant to the provisions thereof, it being understood that none of such rights has been claimed and none of such claims have been made against the Seller.

(ff) (*Delay or failure to repay*) The Seller is not aware of any actual circumstance which could cause the failure to pay, or delay in the payment of, any Consumer Loans.

(gg) (*Assignment of Receivables by way of security*) With respect to the Consumer Loans in relation to which the relevant Debtor has assigned, or has intended to assign, receivables by way of security or for any other purposes to the Seller, at the same time of, or subsequently to, the granting of the Consumer Loan, such transfer is valid and effective between the parties.

(hh) (*Insolvency of the Debtors*) None of the Debtors is subject to an Insolvency Proceeding.

(ii) (*Insolvency of the Dealers*) None of the Dealers was subject to an Insolvency Proceeding at the time of the disbursement of the relevant Consumer Loan.

(jj) (*Final maturity*) None of the Consumer Loans from which the Receivables comprised in the Initial Portfolio arise has Instalments which are due after 15 December 2029.

(kk) (*Confidentiality provisions*) None of the Consumer Loan Agreements provides for confidentiality provisions which may limit the right of the Issuer to exercise its rights as new owner of the Receivables.

(ll) (*Absence of brokers and intermediaries*) None of the Consumer Loan Agreements has been disbursed following an assessment relating to the creditworthiness of the client made by brokers or other intermediaries.

In addition, the Seller has represented and warranted that:

(i) With reference to the Consumer Loan Agreements, the Seller has carried out all the forms of advertising provided for by the combined provisions of articles 123 and 116 of the Consolidated Banking Act, in particular indicating the T.A.N. and the relevant valid period.

(ii) The T.A.N. indicated by the Seller in the Consumer Loan Agreements was calculated by the Seller in accordance with the provisions of article 121 of the Consolidated Banking Act.

(iii) The Consumer Loan Agreements are drawn up in accordance with the provisions of article 117 of the Consolidated Banking Act, first and third paragraphs.

(iv) The Consumer Loan Agreements comply with the requirements of article 125-*bis* of the Consolidated Banking Act.

(v) The Consumer Loans provide for amounts to be paid by the Debtors as compensation in the event of early repayment in line with the provisions of article 125-*sexies* of the Consolidated Banking Act. The amounts to be paid by the Debtors by way of compensation in the event of early repayment of the Consumer Loans are legally binding for the Debtors.

(vi) The Consumer Loan Agreements do not contain unfair clauses pursuant to and for the purposes of articles 33, paragraphs 1 and 2, and 36, paragraph 2, of the Legislative Decree no. 206 of 6 September 2005. All the clauses contained in the Consumer Loan Agreements are effective vis-à-vis the Debtors.

(vii) The term provided for by the first paragraph of article 125-*ter* of the Consolidated Banking Act has expired for all Debtors.

(viii) On the relevant Valuation Date, to the best knowledge of the Seller, there are no material breaches by the suppliers of the goods or services financed through the Consumer Loans, which give the Debtors the right to terminate the relevant Consumer Loan Agreements pursuant to article 125-quinquies of the Consolidated Banking Act.

Data

The Seller also represented and warranted that all data and documentation provided by the Seller to the Arranger, the Issuer and/or the respective affiliates, agents and consultants for the purposes of, or in connection with, the Warranty and Indemnity Agreement, the Master Transfer Agreement, the Servicing Agreement and/or one or more of the transactions contemplated therein, or in any case for the purposes or in relation to the Securitisation, the Consumer Loans, the Receivables, the Insurance Policies, the Collateral Security, and the application of the Eligibility Criteria and Transfer Limits, are true, correct and complete in any material respect and no material information in the possession of the Seller has been omitted.

Other representations

In addition:

(a) (*Status of the Seller*) The Seller is a joint stock company (*società per azioni*) duly incorporated and validly existing pursuant to Italian law; it is a bank registered in the banks' register held by the Bank of Italy under no. 5496 and is licensed to operate in Italy pursuant to article 13 of the Consolidated Banking Act; it has full corporate powers and authority to enter into the Warranty and Indemnity Agreement, the Master Transfer Agreement and all the other Transaction Documents to which it is a party, and to perform all the obligations undertaken with or in relation to such agreements.

(b) (*Seller's corporate authorisations*) The Seller has taken all actions and has obtained all necessary consents and licenses required for the Seller to execute and perform the Warranty and Indemnity Agreement and the other Transaction Documents to which it is or will be a party, pursuant to the terms and subject to the conditions thereof.

(c) (*No conflict or default*) The execution and performance by the Seller of the Warranty and Indemnity Agreement and all other Transaction Documents to which it is or will be a party do not contravene or result in a default, waiver or renunciation of any rights under: (A) its articles of association (*atto costitutivo*) and by-laws (*statuto*); (B) any law, rule or regulation applicable to the Seller; (C) any agreement, deed, document binding on the Seller; or (D) any court decision, arbitration award, injunction or ruling binding or affecting the Seller or its assets.

(d) (*Validity and effectiveness of the Seller's obligations*) The Warranty and Indemnity Agreement, the Master Transfer Agreement and all other Transaction Documents to which the Seller is or will be a party constitute legal, valid and binding obligations of the Seller, which may be enforced against it in accordance with their terms.

(e) (*Non-subordinated obligations*) The monetary obligations undertaken by the Seller under the Warranty and Indemnity Agreement, the Master Transfer Agreement and all the other Transaction Documents to which it is a party constitute rights which rank at least *pari passu* with respect to the rights of any other creditor not subordinated or guaranteed pursuant to Italian law, save for those rights which are privileged only by virtue of the applicable laws and within the limits set out by such laws.

(f) (*Absence of litigation*) There are no disputes, arbitration or administrative proceedings, filed claims or legal proceedings pending or (to the Seller's knowledge) threatened that involve the Seller, before any judge or other competent authority, whose effects could negatively impact on the Seller's ability to fully, irrevocably and exempt from any claw-back or invalidity action, transfer the Receivables and Collateral Security in accordance with the provisions of the Master Transfer Agreement, or which could jeopardise the Seller's ability to fulfil and perform the obligations undertaken under the Warranty and Indemnity Agreement, the Master Transfer Agreement and the other Transaction Documents.

(g) (*Solvency of the Seller*) The Seller is solvent and, to the best of its knowledge, there is no fact or matter which might render the Seller insolvent or subject to any Insolvency Proceedings, nor has it taken any corporate action for its winding up or dissolution, nor has any other action been taken against or in respect of it which might adversely affect its ability to transfer the Receivables or to observe and perform its obligations under the Warranty and Indemnity Agreement and under any other Transaction Documents to which it is or will be a party, nor will it be rendered insolvent as a consequence of entering into the Warranty and Indemnity Agreement or any other Transaction Documents to which it is or will be a party.

(h) (*Seller's financial situation*) The certified financial statements of the Seller as at 31 December 2018 show a true and fair view of the financial situation of the Seller as at that date and the results of the Seller's activities for the year ended on that date, all in compliance with accounting principles generally accepted in Italy and consistently applied. As of 31 December 2018 there were no significant negative changes in the economic and financial conditions of the Seller which could negatively impact on its ability to fulfil the obligations undertaken under the Warranty and Indemnity Agreement and the other Transaction Documents to which it is a party, or the transactions contemplated herein or therein.

(i) (*Absence of intermediaries*) The Seller has not granted any mandate to any financial intermediary or other similar entity in relation to the subject matter of the Warranty and Indemnity Agreement, the Master Transfer Agreement and the other Transaction Documents to which it is a party, except for any delegation made under the Transaction Documents.

(j) (*Privacy Rules*) In the administration and management of the Receivables and any insolvency or enforcement proceeding, the Seller has fully complied with, and will comply with, all the applicable rules in matters of protection of personal data and privacy regulation including, but not limited to, the Privacy Rules.

Times for the making of the representations and warranties

All the representations and warranties referred to above shall be deemed to be given or repeated by the Seller (i) in relation to the Initial Portfolio, as at the relevant Transfer Date and the Issue Date; and (ii) in relation to each Subsequent Portfolio, as at each relevant Offer Date, each relevant Transfer Date and each

date on which the Purchase Price for the relevant Subsequent Portfolio is paid, in each case with reference to the facts and circumstances then existing.

Indemnity

Without prejudice to any other right accruing to the Issuer under the Warranty and Indemnity Agreement or any other Transaction Document to which it is a party or under any and all applicable laws, the Seller has irrevocably undertaken, upon first written demand, to indemnify and hold harmless the Issuer and its directors from and against any and all damages, losses, claims, reduced income (*minor incasso*), costs, lost profits (*lucro cessante*) and/or expenses (including, but not limited to, legal fees and disbursements and any value added tax thereon if due), awarded against or incurred by the Issuer or its directors and their permitted assignees which arise out of or result from:

(i) a default by the Seller in the performance of any of its obligations under the Warranty and Indemnity Agreement or any other Transaction Document to which it is a party, unless the Seller has remedied such default, to the extent possible, in accordance with the terms set out in the relevant Transaction Document or has already indemnified the Issuer of such default pursuant to another Transaction Document;

(ii) any representation and warranty made by the Seller under or pursuant to the Warranty and Indemnity Agreement being untrue, incorrect or misleading when made or repeated;

(iii) any alleged liability and/or claim raised by any third party against the Issuer, as owner of the Receivables, which arises out of any negligent act or omission by the Seller in relation to the Receivables, the servicing and collection thereof or from any failure by the Seller to perform its obligations under the Warranty and Indemnity Agreement or under any of the other Transaction Documents to which it is, or will become, a party;

(iv) the non-compliance of the interest rate applicable to the Consumer Loan Agreements with the provisions of Italian law relating to the payment of interest and, in particular, the Usury Law;

(v) the non-compliance of the terms and conditions of any Consumer Loan Agreement with the provisions of article 1283, 1345 and 1346 of the Italian civil code;

(vi) the fact that the validity or effectiveness of any Receivables and/or Collateral Security relating to the Consumer Loan Agreements, has been challenged by way of claw-back (*azione revocatoria*) or otherwise prior to the relevant Transfer Date;

(vii) any amount of any Receivable not being collected or recovered by the Issuer as a consequence of the exercise by any Debtor of any right to termination, invalidity, annulment or withdrawal, or other claims and/or counterclaims, including set-off pursuant to article 125-*septies* of the Consolidated Banking Act (also in case of claims for refund of the unearned premium from the Issuer upon default of the Insurance Companies), against the Seller in relation to each Consumer Loan Agreement, Receivable, Collateral Security or any other connected act or document (including, without limitation, any claim and/or counterclaim deriving from non-compliance with any credit consumer legislation (*credito al consumo*), banking and financial transparency rules or other consumer protection legislation); and

(viii) any claim for damages raised against the Issuer in relation to facts or circumstances occurred prior to the relevant Transfer Date.

Any claim by the Issuer pursuant to the Warranty and Indemnity Agreement shall be made in writing to the Seller, stating the amount of the claim thereunder (the **Claimed Amount**), together with a detailed description of the reasons for such claim.

The Seller may challenge the validity of the claim made by the Issuer or the Claimed Amount at any time within 15 (fifteen) Business Days (the **Challenge Period**) of receipt of any such claim, by notice in writing to the Issuer (the **Challenge Notice**), provided that, if the Seller does not make such a challenge, it shall be deemed to have accepted the claim in the amount stated therein (the **Accepted Amount**). In such a case, the Seller shall pay to the Issuer the Accepted Amount into the Collection Account, within 5 (five) Business Days from the expiry of the Challenge Period.

In the event that the Seller challenges the validity of the claim or the Claimed Amount within the Challenge Period, the Seller and the Issuer shall promptly conduct in good faith negotiations to resolve the dispute. In the event that no agreement in writing is reached within 30 (thirty) Business Days from the date of receipt by the Issuer of the Challenge Notice, then the Issuer and the Seller may (i) when the subject matter of the dispute involves the resolution of any factual or estimation matters, refer the dispute to an internationally recognised accountancy firm or another mutually agreed third party expert (the **Expert**), to determine the amount of the relevant damages, losses, costs, claims and expenses that may be claimed by the Issuer (the **Allocated Amount**), it being understood that, should the Issuer and the Seller not reach an agreement upon the appointment of the Expert, the Expert shall be appointed by the chairman of the Courts of Turin and such appointment shall be conclusive and binding on each of the Issuer and the Seller; or (ii) when the subject matter of the dispute involves the resolution of any matters relating to the interpretation of any provision of the Warranty and Indemnity Agreement and/or of any applicable laws, or any other matter falling outside the scope of the Expert's mandate, the relevant dispute will be referred to the Courts of Turin. The amount of the losses, costs and expenses so determined shall be considered as the Allocated Amount for the purposes of the Warranty and Indemnity Agreement. The Seller shall pay to the Issuer the Allocated Amount into the Collection Account, within 5 (five) Business Days from the date on which notice has been given to the Seller of the determination made by the Expert or the competent court, as the case may be.

In the event that a Claimed Amount becomes an Accepted Amount or an Allocated Amount, the Issuer shall be entitled to off-set the Accepted Amount or the Allocated Amount, as the case may be, with any amount due to the Seller pursuant to the Warranty and Indemnity Agreement or any other Transaction Documents.

The Seller's payment obligations under the Warranty and Indemnity Agreement may not be suspended or deferred by the Seller, not even by reason of any right, claim or counterclaim that the Seller asserts against the Issuer. The Seller hereby irrevocably waives its right to object its right to off-set any monetary claim owed to it by the Issuer.

Should a claim, counterclaim or other objection be judicially raised by a Debtor in relation to any relevant circumstance under the Warranty and Indemnity Agreement (the **Objection**), the following provisions will apply:

(i) if the Seller believes that the Objection is grounded, it shall, within 40 (forty) days from the occurrence of the circumstance giving rise to such Objection, send a written notice to the Issuer (the **Objection Notice**), stating that it accepts the amount of the Objection (the **Accepted Objection Amount**); otherwise, the Objection will be considered groundless and therefore the Seller will resist judicially (in which case the amount of the Objection will be defined as **Contested Objection Amount**);

(ii) following the service of the Objection Notice and in any case within 5 (five) Business Days therefrom, the Seller shall pay into the Collection Account an amount equal to the Accepted Objection Amount;

(iii) any payment made to the Collection Account pursuant to paragraph (ii) above for the amount equal to the Accepted Objection Amount will be considered as payment of an indemnity pursuant to the Warranty and Indemnity Agreement;

(iv) if there is a Contested Objection Amount (but only in such circumstance), the Seller will have the right to contest, at its own expense, the Objection and to take, also in the name of the Issuer (if the Objection is raised exclusively towards the Issuer or jointly towards the Issuer and the Seller), any steps that the Seller deems necessary, including, but not limited

to, the initiation of legal actions against the relevant Debtor, provided that the Issuer will use all reasonable endeavours to allow the Seller to take such actions, including, without limitation, the appointment of lawyers designated by the Seller and the granting of powers of attorney to the Seller to act in the name of the Issuer, it being understood that any costs, expenses and Taxes incurred by the Issuer in relation to any such activity will be borne exclusively by the Seller; and

(v) if the Objection is unfounded, Santander Consumer Bank, in its capacity as Servicer pursuant to the Servicing Agreement, will request the Debtor to pay the unpaid sum. Should the Debtor fail to pay any such sum, the Servicer will be entitled to take recovery actions in accordance with the Servicing Agreement and the Credit and Collection Policies.

Re-transfer of Receivables

Without prejudice to the without recourse (*pro soluto*) nature of the assignment of the Receivables and any other right accruing to the Issuer by virtue of contract or law, if:

(i) any representation and warranty made by the Seller under Clause 3.1 (*Consumer Loans, Receivables and Collateral Security*), 3.2 (*Additional representations and warranties*) or 3.3 (*Data*) above proves to be untrue, incorrect or misleading in any material respect when made or repeated and negatively and materially affect the value of the Receivables deriving from any Consumer Loans or the Issuer's rights related to the Receivables (each, a Negative Event); and

(ii) the Seller does not remedy such Negative Event within 30 (thirty) days of receipt from the Issuer of a written request to this effect (the Remedy Period),

the Seller granted to the Issuer, pursuant to and for the purposes of article 1331 of the Italian civil code, the option to re-transfer (the **Re-transfer Option**) to the Seller the Receivables in relation to which the Negative Event occurred (the **Affected Receivables** and each re-transfer thereof a **Re-transfer**), in accordance with the terms and conditions set out in the Warranty and Indemnity Agreement.

The Issuer may exercise the Re-transfer Option at any time during the period starting from the Business Day immediately following the expiry of the Remedy Period and ending on the date falling 120 (one hundred and twenty) days thereafter by serving an irrevocable written notice on the Seller substantially in the form of schedule 1 (the **Re-transfer Option Exercise Notice**).

The price for the Re-transfer (the **Re-transfer Price**) shall be equal to:

(i) with reference to any Affected Receivable (other than a Defaulted Receivable and a Delinquent Receivable), (A) the Outstanding Principal of such Receivable as at the immediately preceding Collection End Date; plus (B) any interest accrued and outstanding on such Receivable as at the immediately preceding Collection End Date; or

(ii) with reference to any Delinquent Receivable or Defaulted Receivable, the Final Determined Amount of such Delinquent Receivable or Defaulted Receivable.

In addition to the Re-transfer Price (without double counting), the Issuer will be entitled to receive from the Seller, as indemnity, an amount equal to the costs, expenses, losses, damages reduced income (*minor incasso*), lost profits (*lucro cessante*) and other liabilities (if any) incurred by the Issuer in relation to the Affected Receivables.

Within 5 (five) Business Days of receipt of the Re-transfer Option Exercise Notice, the Seller shall:

(i) deliver to the Issuer the following certificates:

(A) a solvency certificate signed by a director or other authorised officer of the Seller, in the form attached hereto as schedule 5 to the Master Transfer Agreement, dated

no earlier than 15 (fifteen) Business Days prior to the date of payment of the relevant Re-transfer Price; and

(B) a good standing certificate issued by the competent companies' register *(certificato di iscrizione nella sezione ordinaria della Camera di Commercio, Industria, Artigianato ed Agricoltura*), dated no earlier than 15 (fifteen) Business Days prior to the date of payment of the relevant Re-transfer Price, stating that the Seller is not subject to any insolvency proceeding; and

(ii) pay to the Issuer the Re-transfer Price and the indemnity set out above, into the Collection Account.

It remains understood that the Re-transfer of the Affected Receivables will be effective subject to the actual payment in full of the Re-transfer Price.

The Issuer and the Seller have acknowledged and agreed that the Re-Transfer of the Affected Receivables (i) shall be made without recourse (*pro soluto*), at risk of the purchaser (*a rischio e pericolo del compratore*) pursuant to article 1488, paragraph 2, of the Italian civil code, without any warranty by the Issuer (including, without limitation, any warranty as to the existence of the Affected Receivables in derogation of article 1266, paragraph 1, of the Italian civil code), and (ii) shall qualify as an aleatory contract (*contratto aleatorio*) pursuant to article 1469 of the Italian civil code.

The Issuer and the Seller have also acknowledged and agreed that the Re-transfer Option Exercise Notice has been granted by the Issuer to the Seller in exchange for the rights and obligations of each party to the Warranty and Indembnity Agreement vis-à-vis the other party under the Warranty and Indemnity Agreement and the other relevant Transaction Documents. As a result, no further consideration is due by the Seller to the Issuer for the granting of the Re-transfer Option Exercise Notice.

The Issuer and the Seller have undertaken to enter into any other agreement, deed and document and perfect any formality as may be necessary and/or expedient in order to render the repurchase of the Affected Receivables legal, valid, binding and enforceable *vis-à-vis* the Debtors and any third parties.

Governing Law

The Warranty and Indemnity Agreement and any non-contractual obligations arising out of, or in connection with, it are governed by, and shall be construed in accordance with, Italian law.

DESCRIPTION OF THE CASH ALLOCATION, MANAGEMENT AND PAYMENT AGREEMENT

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

General

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

The Cash Allocation, Management and Payment Agreement also contains provisions for the replacement of the Agents upon default or the occurrence of certain specified events.

Accounts

The Issuer has established with the Spanish Account Bank the Collection Account and the Cash Reserve Account.

The Issuer has established with the Italian Account Bank the Payments Account and the Expenses Account.

The Issuer has also established the Quota Capital Account with Santander Consumer Bank.

In addition, the Issuer shall, at any time prior to the Cancellation Date, upon the occurrence of a Set-Off Reserve Trigger Event, open the Set-Off Reserve Account with an Eligible Institution. Particularly, if a Set-Off Reserve Trigger Event occurs, then (i) the Servicer (or failing it, the Representative of the Noteholders with notice to the Rating Agencies) shall serve a Set-Off Reserve Trigger Notice to the Issuer and the Seller and will notify the Rating Agencies and, following such notices, (ii) the Issuer shall open the Set-Off Reserve Account with an Eligible Institution (to the extent not already opened), (iii) the Subordinated Loan Provider will make an advance under the Subordinated Loan to the Issuer in an amount equal to the Target Set-Off Reserve Amount and (iv) the Issuer shall immediately deposit such funds into the Set-Off Reserve Account.

In addition to the above, and following the directions of the Representative of the Noteholders, as instructed by the Noteholders in accordance with the Terms and Conditions and with notice to the Rating Agencies, the Issuer may, at any time prior to the Cancellation Date, open an Eligible Investments Securities Account with an Eligible Institution for the purpose of depositing any security and other financial instruments being Eligible Investments, from time to time purchased by or on behalf of the Issuer. The Eligible Institution holding the Eligible Investments Securities Account shall be denominated and appointed as Custodian Bank and shall agree to be bound by and adhere to the terms of the Cash Allocation, Management and Payment Agreement, the Intercreditor Agreement and the Master Definitions Agreement.

Spanish Account Bank

The Spanish Account Bank has agreed to (i) open in the name of the Issuer and manage, in accordance with the Cash Allocation, Management and Payment Agreement, the Collection Account and the Cash Reserve Account; and (ii) provide the Issuer with certain reporting services together with certain handling services in relation to monies from time to time standing to the credit of such Account. For further details, see the section headed "*The Accounts*".

On or prior to each Account Report Date, the Spanish Account Bank has agreed to prepare and deliver to, *inter alios*, the Issuer, the Representative of the Noteholders, the Servicer, the Corporate Services Provider and the Computation Agent the Account Report setting out certain information in relation to the Collection Account and the Cash Reserve Account.

The Spanish Account Bank shall at all times be an Eligible Institution.

Italian Account Bank

The Italian Account Bank has agreed, *inter alia*, to (i) open in the name of the Issuer and manage, in accordance with the Cash Allocation, Management and Payment Agreement, the Payments Account and the Expenses Account and (ii) provide the Issuer with certain reporting services together with certain handling services in relation to monies and securities from time to time standing to the credit of such Account. For further details, see the section headed "*The Accounts*".

On or prior to each Account Report Date, the Italian Account Bank has agreed to prepare and deliver to, *inter alios*, the Issuer, the Representative of the Noteholders, the Servicer, the Corporate Services Provider and the Computation Agent the Account Report setting out certain information in relation to the Payments Account and the Expenses Account and the Swap Collateral Account.

The Italian Account Bank shall at all times be an Eligible Institution.

Paying Agents

The Paying Agents agreed to provide the Issuer with certain calculation, payment and agency services in relation to the Notes, including without limitation, calculating the Rate of Interest applicable on the Senior Notes, making payment to the Noteholders, giving notices and issuing certificates and instructions in connection with any meeting of the Noteholders.

Each of the Paying Agents shall at all times be an Eligible Institution.

Computation Agent

The Computation Agent has agreed to provide the Issuer with certain other calculation, monitoring and reporting services.

The Computation Agent has agreed to prepare, *inter alia*, the following reports:

(a) prior to the service of a Trigger Notice, on or prior to each Calculation Date, the Payments Report with respect to the relevant Collection Period, setting out*, inter alia,* the amount of the Issuer Available Funds and the amounts of each of the payments and allocations to be made by the Issuer on the next Payment Date, in accordance with the Pre-Trigger Priority of Payments including, without limitation, the amounts due under the Notes, to the Other Issuer Creditors and as Purchase Price in respect of the Subsequent Portfolios;

(b) following the service of a Trigger Notice, on or prior each Calculation Date or upon request (within a reasonable term) of the Representative of the Noteholders, the Post-Trigger Report setting out, *inter alia,* the Issuer Available Funds and each of the payments and allocations to be made by the Issuer on the next Payment Date, in accordance with the Post-Trigger Priority of Payments; and

(c) on or prior to each Investors Report Date, the Investors Report setting out certain information with respect to the Notes and the Aggregate Portfolio (including the information referred to in article 7(1)(i), (ii) and (iii) of the EU Securitisation Regulation), in compliance with the EU Securitisation Regulation and the applicable Regulatory Technical Standards, and with respect to the relevant Collection Period, setting out*, inter alia,* the amount of the Issuer Available Funds and the amounts of each of the payments and allocations to be made by the Issuer on the next Payment Date, in accordance with the Pre-Trigger Priority of Payments including, without limitation, the amounts

due under the Notes, to the Other Issuer Creditors and as Purchase Price in respect of the Subsequent Portfolios, provided that any event which trigger changes in the Priorities of Payments shall be reported to the Noteholders in accordance with Condition 17 (*Notices*) without undue delay.

Payments to Noteholders and Other Issuer Creditors

One Business Day prior to each Payment Date, the Account Banks shall transfer amounts into the Payments Account from each of the other Accounts (except for the Expenses Account), in order to fund all of the payments of the Issuer due on each such Payment Date under the applicable Priority of Payments and in accordance with the payment instructions of the Issuer, issued on the basis of the Payments Report.

No payments may be made out of the Accounts which would thereby cause or result in such accounts becoming overdrawn.

Termination or resignation of the appointment of the Agents

The appointment of any of the Computation Agent, the Italian Account Bank, Spanish Account Bank and the Paying Agents may be terminated by the Issuer, subject to the prior written approval of the Representative of the Noteholders, upon 3 (three) months written notice provided that the Issuer at all times maintains an agent carrying out the duties provided under the Cash Allocation, Management and Payment Agreement.

Each of the Computation Agent, the Italian Account Bank, the Spanish Account Bank and the Paying Agents may resign from its appointment under the Cash Allocation, Management and Payment Agreement, upon giving not less than 3 (three) months (or such shorter period as the Representative of the Noteholders may agree) prior written notice of termination to the Representative of the Noteholders, the Issuer and the other relevant parties thereto subject to and conditional upon, *inter alia*, a substitute Computation Agent, Account Bank or of any of the Paying Agents, as the case may be, being appointed by the Issuer, with the prior written approval of the Representative of the Noteholders, on substantially the same terms set out in the Cash Allocation, Management and Payment Agreement.

Governing Law

The Cash Allocation, Management and Payment Agreement and any non-contractual obligations arising out of, or in connection with, it are governed by, and shall be construed in accordance with, Italian law.

DESCRIPTION OF THE INTERCREDITOR AGREEMENT

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

General

On or about the Issue Date, the Issuer, the Other Issuer Creditors, the Quotaholders and the Reporting Entity have entered into the Intercreditor Agreement, pursuant to which provision is made, *inter alia,* as to (i) the application of the Issuer Available Funds in accordance with applicable Priority of Payments and (ii) the circumstances in which the Representative of the Noteholders will be entitled to exercise certain of the Issuer's rights in respect of the Aggregate Portfolio and the Transaction Documents.

The obligations owed by the Issuer to each of the Other Issuer Creditors, including without limitation, the obligations under any Transaction Document to which such Other Issuer Creditor is a party, will be limited recourse obligations of the Issuer. Each of the Other Issuer Creditors will have a claim against the Issuer only to the extent of the Issuer Available Funds in each case subject to and as provided in the Intercreditor Agreement and the other Transaction Documents.

Priority of Payments

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

Limited Recourse Obligations

The obligations owed by the Issuer to each of the Other Issuer Creditors, including without limitation, the obligations under any Transaction Document to which such Other Issuer Creditor is a party will be limited recourse obligations of the Issuer. Each of the Other Issuer Creditors will have a claim against the Issuer only to the extent of the Issuer Available Funds in each case subject to and as provided in the Intercreditor Agreement and the other Transaction Documents.

Transparency requirements under the EU Securitisation Regulation

Under the Intercreditor Agreement, the parties thereto have acknowledged that the Seller shall be responsible for compliance with article 7 of the EU Securitisation Regulation.

Each of the Issuer and the Seller has agreed that Santander Consumer Bank is designated as Reporting Entity, pursuant to and for the purposes of article 7(2) of the EU Securitisation Regulation and, in such capacity as Reporting Entity, it has fulfilled before pricing and/or shall fulfil after the Issue Date, as the case may be, the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first subparagraph of article 7(1) of the EU Securitisation Regulation by making available the relevant information through the website of European DataWarehouse (being, as at the date of this Prospectus, www.eurodw.eu) (or, in respect of post-closing information, any other securitisation repository registered pursuant to article 10 of the EU Securitisation Regulation).

As to post-closing information, the relevant parties to the Intercreditor Agreement have agreed and undertaken as follows:

(a) the Servicer shall:

(i) prepare the Loan by Loan Report setting out information relating to each Loan in respect of the immediately preceding Collection Period (including, *inter alia*, the information, if available, related to the environmental performance of the Vehicles), in compliance with point (a) of the first subparagraph of article 7(1) of the EU Securitisation Regulation and

the applicable Regulatory Technical Standards, and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available the Loan by Loan Report (simultaneously with the Investors Report) to the investors in the Notes by no later than one month after each Payment Date; and

(ii) prepare the Inside Information Report and the Significant Event Report, in compliance with points (f) and (g) respectively of the first subparagraph of article 7(1) of the EU Securitisation and deliver them to the Reporting Entity in a timely manner in order for the Reporting Entity to make available the Inside Information Report and the Significant Event Report (simultaneously with the Investors Report) to the investors in the Notes by no later than one month after each Payment Date and, in any case, without undue delay following the occurrence of the relevant event triggering the delivery of such reports;

(b) the Computation Agent shall prepare the Investors Report pursuant to point (e) of the first subparagraph of article 7(1) of the EU Securitisation and the applicable Regulatory Technical Standards (including the information referred to in items (i), (ii) and (iii) of such point (e)) and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available the Investors Report (simultaneously with the Loan by Loan Report) to the investors in the Notes by no later than one month after each Payment Date; and

(c) the Issuer shall deliver to the Reporting Entity (A) a copy of the final Prospectus and the other final Transaction Documents in a timely manner in order for the Reporting Entity to make available such documents to the investors in the Notes by no later than 15 (fifteen) days after the Issue Date, and (B) any other document or information that may be required to be disclosed to the investors or potential investors in the Notes pursuant to the EU Securitisation Regulation and the applicable Regulatory Technical Standards in a timely manner (to the extent not already provided by other parties),

in each case in accordance with the requirements provided by the EU Securitisation Regulation and the applicable Regulatory Technical Standards.

The Seller has acknowledged that it shall perform such role in consideration of the amounts payable to it under the Transaction Documents and has agreed that it will not be entitled to receive any other compensation in connection therewith.

Cooperation undertakings in relation to EU Securitisation Rules

Each of the parties to the Intercreditor Agreement has undertaken to provide all reasonable cooperation in order to ensure that the Securitisation complies with the EU Securitisation Rules. Without prejudice to the generality of the foregoing, each of the parties to the Intercreditor Agreement has undertaken to (i) take any action, (ii) negotiate in good faith and execute any amendment or additional agreement, deed or document, (iii) make available authorised signatories, adequately qualified personnel and internal administrative resources, and (iv) perform such other supporting activities, in each case as may reasonably deemed necessary and/or expedient for such purposes.

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

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

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

Pursuant to the Intercreditor Agreement, following the delivery of a Trigger Notice and in accordance with the Terms and Conditions, the Issuer may (subject to the consent of the Representative of the Noteholders) or the Representative of the Noteholders may (or shall if so requested by an Extraordinary Resolution of the

Noteholders) direct the Issuer, to dispose of the Aggregate Portfolio or any part thereof in accordance with the provisions of the Intercreditor Agreement.

Governing Law

The Intercreditor Agreement and any non-contractual obligations arising out of, or in connection with, it are governed by, and shall be construed in accordance with, Italian law.

DESCRIPTION OF THE SUBORDINATED LOAN AGREEMENT

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

General

Pursuant to the Subordinated Loan Agreement, the Subordinated Loan Provider has agreed to grant to the Issuer the Subordinated Loan on the Issue Date in an amount of € 8,530,000 for the purpose of establishing on such date the Cash Reserve for an amount equal to the Cash Reserve Advance, as well as funding the Expenses Account up to the Retention Amount.

In addition, upon the service of a Set-Off Reserve Trigger Notice (following the occurrence of a Set-Off Reserve Trigger Event) the Subordinated Loan Provider will make an advance under the Subordinated Loan to the Issuer which will be used by the latter in order to establish the Set-Off Reserve up to the Target Set-Off Reserve Amount. Each time following the occurrence of Set-Off Reserve Trigger Event there would be an increase of the Target Set-Off Reserve Amount as a result of the purchase of any Subsequent Portfolio by the Issuer (and the consequent increase of the Net Exposure of the Aggregate Portfolio), then the Subordinated Loan Provider may agree to make a further advance under the Subordinated Loan to the Issuer, so as to provide the latter with the relevant additional funds to be credited to the Set-Off Reserve.

As consideration for the granting of the Subordinated Loan, the Issuer shall pay to the Subordinated Loan Provider interest on the outstanding principal amount of such Subordinated Loan at the rate equal to the 2.7%. Interest on the Subordinated Loan will be payable by the Issuer on each Payment Date using the Issuer Available Funds available for such payment in accordance with the applicable Priority of Payments.

Principal on the Subordinated Loan will be repayable by the Issuer on each Payment Date as follows:

(a) out and within the limits of the Issuer Available Funds which will be available for such purposes on each such Payment Date, in accordance with and subject to:

  (i) items (xv) of the Pre-Trigger Interest Priority of Payments and (vii) of the Pre-Trigger Principal Priority of Payments; and

  (ii) item (xii) of the Post-Trigger Priority of Payments;

  plus

(b) out of any Set-Off Reserve Excess Amount outside and irrespective of the Priority of Payments.

Pursuant to the Subordinated Loan Agreement, the Subordinated Loan shall be repaid in full by the Issuer on the Cancellation Date out of the Issuer Available Funds, in accordance with and subject to the applicable Priority of Payments.

Governing Law

The Subordinated Loan Agreement and any non-contractual obligations arising out of, or in connection with, it are governed by, and shall be construed in accordance with, Italian law.

DESCRIPTION OF THE SPANISH DEED OF PLEDGE

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

Spanish Deed of Pledge

On or about the Issue Date, the Issuer, the Representative of the Noteholders and the Spanish Account Bank shall enter into the Spanish Deed of Pledge pursuant to which the Issuer shall, *inter alia*, create a Spanish law pledge over the credit rights arising from the Collection Account and the Cash Reserve Account, including all of its present and future rights, title and interest in or to such Collection Account and the Cash Reserve Account and all amounts (including interest) standing from time to time to the credit of, or accrued or accruing on such Accounts in favour of the Representative of the Noteholders, acting in its own name and on behalf of the Noteholders and the Other Issuer Creditors.

Governing Law

The Spanish Deed of Pledge and any non-contractual obligations arising out of, or in connection with, it are governed by, and shall be construed in accordance with, Spanish law.

DESCRIPTION OF THE MANDATE AGREEMENT

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

General

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

Governing Law

The Mandate Agreement and any non-contractual obligations arising out of, or in connection with, it are governed by, and shall be construed in accordance with, Italian law.

DESCRIPTION OF THE CORPORATE SERVICES AGREEMENT

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

General

On or about the Issue Date, the Issuer, the Corporate Services Provider and the Representative of the Noteholders have entered into the Corporate Services Agreement, pursuant to which the Corporate Services Provider will provide the Issuer with a number of services, including, *inter alia*:

(a) the keeping and updating of various corporate and accounting books and records including, for example, inventories, statutory records, preparation of annual and interim financial statements in accordance with applicable legislation;

(b) various corporate services such as secretarial services, assistance to the auditors, communications to the Representative of the Noteholders pursuant to the Transaction Documents; and

(c) miscellaneous services of a fiscal nature including tax returns and declarations and the keeping of fiscal records.

The Issuer may terminate the appointment of the Corporate Services Provider in certain circumstances including, *inter alia*, in the event of breach by the Corporate Services Provider of its obligations or representations and warranties under the Corporate Services Agreement.

Governing Law

The Corporate Services Agreement and any non-contractual obligations arising out of, or in connection with, it are governed by, and shall be construed in accordance with, Italian law.

DESCRIPTION OF THE STICHTINGEN CORPORATE SERVICES AGREEMENT

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

General

On or about the Issue Date, the Issuer, the Quotaholders, the Representative of the Noteholders and the Stichtingen Corporate Services Provider have entered into the Stichtingen Corporate Services Agreement, pursuant to which the Stichtingen Corporate Services Provider will provide the Quotaholders with a number of services, including, *inter alia*, the provision of accounting and financial services and the management and administration of the Quotaholders.

Governing Law

The Stichtingen Corporate Services Agreement and any non-contractual obligations arising out of, or in connection with, it are governed by, and shall be construed in accordance with, Italian law.

DESCRIPTION OF THE QUOTAHOLDERS AGREEMENT

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

General

On or about the Issue Date, the Issuer, the Seller and the Quotaholders have entered into the Quotaholders Agreement, pursuant to the which the Quotaholders has given certain undertakings to the Representative of the Noteholders in relation to the management of the Issuer and the exercise of its rights as quotaholders of the Issuer and has agreed not to dispose of, or charge or pledge, the quotas of the Issuer subject to, *inter alia*, the prior written consent of the Representative of the Noteholders.

Governing Law

The Quotaholders Agreement and any non-contractual obligations arising out of, or in connection with, it are governed by, and shall be construed in accordance with, Italian law.

THE ACCOUNTS

Introduction

The Issuer has opened with the Account Banks the following accounts:

(a) the Collection Account and the Cash Reserve Account with the Spanish Account Bank;

(b) the Payments Account and the Expenses Account with the Italian Account Bank.

In addition, the Issuer:

(a) shall upon the occurrence of a Set-Off Reserve Trigger Event, open the Set-Off Reserve Account with an Eligible Institution; and

(b) shall, following the directions of the Representative of the Noteholders, as instructed by the Noteholders in accordance with the Terms and Conditions and with notice to the Rating Agencies, open an Eligible Investments Securities Account with an Eligible Institution for the purpose of depositing any security and other financial instruments being Eligible Investments, from time to time purchased by or on behalf of the Issuer.

The Issuer has also established the Quota Capital Account with Santander Consumer Bank.

Collection Account

The Collection Account will be the Account for the deposit of all the Collections and Recoveries received and recovered by the Servicer in accordance with the Servicing Agreement, as well as any other amounts received by the Issuer from any party to a Transaction Document, but excluding the amounts advanced by the Subordinated Loan Provider under the Subordinated Loan Agreement.

Cash Reserve Account

The Cash Reserve Account will be the Account into which the Cash Reserve shall be credited, in accordance with the Cash Allocation, Management and Payment Agreement.

The amounts of the Cash Reserve will be available to the Issuer on each Payment Date as part of the Issuer Available Funds to meet its payment obligations under the Pre-Trigger Priority of Payments in respect of the interests and principal due in respect of the Senior Notes and the Mezzanine Notes (as well as in respect of any amount required to be paid under the Pre-Trigger Priority of Payments in priority thereto or pari passu therewith). In particular, on each Payment Date up to (but excluding) the earlier of (i) the Final Maturity Date, (ii) the Payment Date on which the Rated Notes will be redeemed in full, and (iii) the Payment Date following the delivery of a Trigger Notice, the Cash Reserve will form part of the Interest Available Funds and will be available to make payments in accordance with the Pre-Trigger Interest Priority of Payments.

The Cash Reserve Account will be funded on the Issue Date for an amount equal to the Cash Reserve Advance out of the Subordinated Loan, advanced by the Subordinated Loan Provider.

In the event that on any Payment Date prior to the service of a Trigger Notice the balance of the Cash Reserve Account is lower than the Target Cash Reserve Amount, then the Issuer will credit available amounts of the Issuer Available Funds, in accordance with the Pre-Trigger Priority of Payments, into the Cash Reserve Account to bring the balance of such Account up to (but not exceeding) the Target Cash Reserve Amount.

On the earlier of (i) the Final Maturity Date, (ii) the Payment Date on which there will be sufficient Issuer Available Funds (including the Cash Reserve) to redeem in full the Rated Notes, and (iii) the Payment Date following the delivery of a Trigger Notice, the Target Cash Reserve Amount will be reduced to 0 (zero) and

all amounts standing to the credit of the Cash Reserve Account will form part of the Principal Available Funds and will be available to make payments in accordance with the applicable Priority of Payments.

Set-Off Reserve Account

The Set-Off Reserve Account will be the Account into which the Set-Off Reserve shall be credited, in accordance with the Intercreditor Agreement and the Cash Allocation, Management and Payment Agreement.

On each Payment Date up to (but excluding) the earlier of (i) the Cancellation Date, (ii) the Payment Date on which the Rated Notes will be redeemed in full, and (iii) the Payment Date following the delivery of a Trigger Notice, the Interest Available Funds will be applied in accordance with the Pre-Trigger Priority of Payments to bring the balance of the Set-Off Reserve Account up to (but not exceeding) the Target Set-Off Reserve Amount.

Furthermore, each time following the occurrence of Set-Off Reserve Trigger Event there would be an increase of the Target Set-Off Reserve Amount as a result of the purchase of any Subsequent Portfolio by the Issuer (and the consequent increase of the Net Exposure of the Aggregate Portfolio), then the Subordinated Loan Provider may agree to make any increase of the Target Set-Off Reserve Amount following the occurrence of any Set-Off Reserve Top-Up Event through a further advance under the Subordinated Loan to the Issuer, so as to provide the latter with the relevant additional funds to be credited to the Set-Off Reserve.

On each Payment Date up to (and including) the earlier of (i) the Cancellation Date, (ii) the Payment Date on which the Rated Notes will be redeemed in full, and (iii) the Payment Date following the delivery of a Trigger Notice, the Set-Off Reserve, in an amount equal to the Set-Off Reserve Required Amount, will form part of the Principal Available Funds and will be available to make payments in accordance with the applicable Priority of Payments.

On each Payment Date up to (and including) the earlier of (i) the Cancellation Date, (ii) the Payment Date on which the Rated Notes will be redeemed in full, and (iii) the Payment Date following the delivery of a Trigger Notice, any Set-Off Reserve Excess Amount will be applied by the Issuer to repay the Subordinated Loan outside the Priority of Payments.

Expenses Account

The Expenses Account will be the Account for the deposit of the Retention Amount aimed at funding during each Interest Period all fees, costs, expenses and taxes 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 applicable legislation, in accordance with the Cash Allocation, Management and Payment Agreement.

The Expenses Account will be funded, on the Issue Date out of the Subordinated Loan. In the event that on any Payment Date the balance of the Expenses Account is lower than the Retention Amount, then the Issuer will credit available amounts of the Issuer Available Funds, in accordance with the applicable Priority of Payments, into the Expenses Account to bring the balance of such Account up to (but not exceeding) the Retention Amount.

The amounts standing to the credit of the Expense Account will be used to pay, during each Interest Period, the Expenses falling due in the relevant Interest Period and, after the Payment Date on which the Notes will be redeemed in full or cancelled, any known Expenses not yet paid and any Expenses falling due after such Payment Date.

Payments Account

The Payments Account will be the Account into which, *inter alios*, the amounts standing to the credit of the Collection Account, the Cash Reserve Account and (and, following the delivery of a Set-Off Reserve Trigger Notice, the Set-Off Reserve Account) shall be transferred so as to be applied to make the payments

due by the Issuer on each Payment Date, in accordance with the applicable Priority of Payments and the Cash Allocation, Management and Payment Agreement

Eligible Investments Securities Account

In the event that any Eligible Investments shall be made in accordance with the Cash Allocation, Management and Payment Agreement then any investment represented by bonds, debentures, other kind of notes or other financial instrument purchased with the monies standing to the credit of each of the Investment Accounts shall be deposited by the Custodian Bank in the Eligible Investments Securities Account, in accordance with the terms of the Cash Allocation, Management and Payment Agreement.

Quota Capital Account

The Quota Capital Account is the account held with Santander Consumer Bank into which the quota capital of the Issuer, equal to € 10,000, has been deposited.

ESTIMATED WEIGHTED AVERAGE LIFE OF THE SENIOR NOTES AND THE MEZZANINE NOTES

The expected average life of the Senior Notes and the Mezzanine Notes cannot be predicted as the actual rate at which the Consumer Loans will be repaid and a number of other relevant factors are unknown.

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

The table below shows the expected average life of the Senior Notes and the Mezzanine Notes and is based on the following assumptions:

(a) that the Consumer Loans are subject to a constant rate of prepayment (CPR) as shown in the table below;

(b) that no Consumer Loans are sold by the Issuer;

(c) that the Consumer Loans continue to be fully performing and timely paid with no Delinquent Loans or Defaulted Loans in the Portfolio;

(d) that the Consumer Loans comprised in the Aggregate Portfolio after the end of the Revolving Period will amortise substantially in the same way as the Initial Portfolio and with the same portfolio composition;

(e) that the Revolving Period will end on the Payment Date falling in March 2020 (included);

(f) that no Trigger Event occurs in respect of the Notes;

(g) that the Issuer does not opt for early redemption of the Notes under Condition 8.4 (*Optional Redemption – Time Call Option*) or Condition 8.5 (*Redemption for taxation reasons*);

(h) that only timely Principal Components have been computed for the calculation of the estimated weighted average life of the Senior Notes and the Mezzanine Notes;

(i) that the Aggregate Portfolio Repurchase Option following the Clean-up Call Event is exercised by the Seller; and

(j) that the Notes are issued on the 27th February 2020.

Estimated Weighted Average Life (WAL) for Senior Notes and Mezzanine Notes (years)

CPR	Senior Notes (WAL, years)	Mezzanine Notes (WAL, years)
0%	3.60	5.70
5%	3.49	5.42
10%	3.38	5.19
15%	3.28	5.01
20%	3.19	4.87

Source: the Issuer

Assumption (a) above is stated as an average annualised prepayment rate as the prepayment rate for one Interest Period may be substantially different from that for another. The constant prepayment rates shown above are purely illustrative and do not represent the full range of possibilities for constant prepayment rates.

Assumptions (b) and (c) above relate to circumstances which are not predictable.

Assumption (d) may depend on the specific composition of Subsequent Portfolios and assumption (e) may depend on availability of Subsequent Portfolios through the Revolving Period.

The average lives of the Senior Notes and the Mezzanine Notes are subject to factors largely outside of the Issuer's control and consequently no assurance can be given that the assumptions and estimates above will prove in any way to be realistic and they must therefore be viewed with considerable caution.

SELECTED ASPECTS OF ITALIAN LAW

The Securitisation Law

General

The Securitisation Law was enacted on 30 April 1999 and subsequently amended and was conceived to simplify the securitisation process and to facilitate the increased use of securitisation as a financing technique in the Republic of Italy.

It applies to securitisation transactions involving the "true sale" (by way of non-gratuitous assignment) of receivables, where the sale is to a company created in accordance with Article 3 of the Securitisation Law (the **SPV**) and all amounts paid by the debtors in respect of the receivables are to be used by the SPV exclusively to meet its obligations under the notes issued to fund the purchase of such receivables and all costs and expenses associated with the securitisation transaction.

Assignment pursuant to Law 52

Law Decree no. 145 of 23 December 2013 converted into law by Law no. 9 of 21 February 2014 (the **Decree 145**) has simplified the assignments under the Securitisation Law of receivables falling within the scope of Law 52, these being the receivables arising out of contracts entered into by the relevant assignor in the course of its business.

More in particular, it has been provided that the transfer of above-mentioned type of receivables, which do not need to be identifiable as a pool (*in blocco*), can be perfected also applying certain provisions of Law 52.

In addition, Decree 145 has established that if the transaction parties choose to use Law 52 as described above, then the relevant notice of assignment to be published in the Italian Official Gazette will need to set out only the details of the assignor, the assignee (i.e. the SPV) and the date of the relevant assignment.

Pursuant to the combined provisions of articles 1 and 4 of the Securitisation Law and the articles of Law 52 referred to therein, the transfer of receivables and related ancillary rights is rendered enforceable against any third party creditors of the seller (including any insolvency receiver of the same) alternatively through (i) the publication of a notice of transfer in the Official Gazette and the registration of the same in the competent companies' register, or (ii) the annotation of the monies received from the SPV as purchase price for the relevant receivables on the seller's account into which they have been paid, in order for the relevant payment to bear date certain at law (*data certa*) in accordance with the provisions of article 2, paragraph 1, letter b), of Legislative Decree no. 170 of 21 May 2004.

The enforceability of the transfer of the receivables against the debtors is governed by the ordinary regime provided for by the Italian civil code. As a result, the transfer of the receivables from the assignor to the assignee will become enforceable (*opponibile*) against the relevant debtors only at such time as a notice (in any form) of the relevant assignment from the assignor to the assignee has been given to the relevant debtors, or the relevant debtors have accepted such assignment, in each case in accordance with the provisions of article 1264 of the Italian civil code. In this respect, it should be noted that, as a consequence of the application of article 4, second paragraph, of the Securitisation Law, as from the date of publication of the notice of transfer in the Official Gazette or the date of payment of the relevant purchase price bearing a date certain at law (*data certa*), a debtor will not have the right to set-off its claims vis-à-vis the assignor which have arisen after such date against the amounts due by the relevant debtor to the assignee in respect of the receivables. In addition, if a notice of the assignment to the assignee is sent to the relevant debtor (i) by the assignee or (ii) by any other entity validly acting as agent and in the name and on behalf of the assignee or the assignor, provided that such notice duly and unequivocally identifies the relevant eeceivable, the transfer of the relevant receivable from the assignor to the assignee will become enforceable (*opponibile*) against the relevant debtor, in accordance with the provisions of article 1264 of the Italian civil code.

Limitation to the set-off rights of the assigned debtors

Decree 145 has provided that, with effect from the date of the publication of the notice of transfer in the Official Gazette and registration of the same in the competent companies' register (or of the purchase price payment, as the case may be, as described in the preceding paragraph headed "*Assignment pursuant to Law 52"*), in derogation of any other provision of law, the assigned debtors of the relevant securitised receivables are not entitled to exercise the set-off between such securitised receivables and their claims against the assignor arisen after such date of publication and registration (or of the payment of the purchase price payment, as the case may be).

Exemption of claw-back of prepayments

The Securitisation Law stated that payments made by the assigned debtors benefit from an exemption from the claw-back provided for by article 67 of the Italian Bankruptcy Law. However, nothing was said under the Securitisation Law in relation to the claw-back action pursuant to article 65 of the Italian Bankruptcy Law, being the claw-back in respect of any prepayments. Decree 145 has established an express exemption also in respect of such claw-back action under article 65 of the Italian Bankruptcy Law.

Ring-fencing of the assets

Under the terms of article 3 of the Securitisation Law, the assets relating to each securitisation transaction will, by operation of law, be segregated for all purposes from all other assets of the company which purchases the receivables (including any other receivables purchased by the Issuer pursuant to the Securitisation Law). Prior to and on a winding up of such company such assets will only be available to holders of the notes issued to finance the acquisition of the relevant receivables and to certain creditors claiming payment of debts incurred by the company in connection with the securitisation of the relevant assets. In addition, the assets relating to a particular transaction will not be available to the holders of notes issued to finance any other securitisation transaction or to general creditors of the issuer company.

Under Italian law, however, any creditor of the Issuer would be able to commence insolvency or winding-up proceedings against the Issuer in respect of any unpaid debt.

Claw-back

Assignments executed under the Securitisation Law are still subject to claw-back action on bankruptcy pursuant to Article 67 of the Italian Bankruptcy Law but only in the event that the adjudication of bankruptcy of the relevant party is made (i) within three months of the securitisation transaction, in case paragraph 1 of Article 67 applies and (ii) within six months of the securitisation transaction, in case paragraph 2 of Article 67 applies (and not six months or 1 year, respectively, as the normal regime of Article 67 provides).

Moreover, following the publication of the notice in the Official Gazette and registration of the same in the companies' register (payment to bear date certain at law (*data certa*)), the payments made to the SPV by any assigned debtors in respect of the relevant receivables may not be clawed-back pursuant to Article 67 of the Italian Bankruptcy Law (by the receiver of any such debtor which becomes subject to any insolvency proceedings).

Consumer credit provisions

(i) *Consumer credit provisions and enactment of Legislative Decree 141* – The Initial Portfolio includes, and each Subsequent Portfolio will include, Loans which qualify as "consumer loans", i.e. loans extended to individuals acting outside the scope of their entrepreneurial, commercial, craft or professional activities. In Italy consumer loans are regulated by, amongst others: (i) articles 121 to 126 of the Consolidated Banking Act and (ii) some provisions of the Consumer Code. Consumer protection legislation has been subject to a full revision by the enactment of law decree 13 August 2010 number 141 (as subsequently amended **Legislative Decree 141**) which transposed in the Italian legal system EC Directive 2008/48 on credit agreements for consumers. Legislative Decree 141 has become enforceable on 19 September 2010.

(ii) *Legislative Decree 141 and existing credit consumer agreements* - Even if Legislative Decree 141 does not provide anything on the matter, on the basis of both article 30 of the Directive 2008/48 and the implementing measures of Legislative Decree 141, it can be stated that the provisions set by Legislative Decree 141 do not apply to agreements existing on the date on which latter entered into force, except for some provisions, applicable to open-end credit agreements only.

(iii) *Scope of application* - Prior to the entry into force of Legislative Decree 141, consumer loans were only those granted for amounts respectively lower and higher than the maximum and minimum levels set by the *Comitato Interministeriale per il Credito e il Risparmi*o (**CICR**) (the inter-ministerial committee for credit and savings), such levels being fixed at €30,987.41 and €154.94 respectively. Current article 122 of the Consolidated Banking Act rules that provisions concerning consumer loans apply to loans granted for amounts from €200 (included) to €75,000 (included); moreover, the same article 122 sets a list of other deeds and agreement which shall not be considered as consumer loans.

(iv) *Right of withdrawal* - Pursuant to article 125-*ter* of the Consolidated Banking Act, consumers have a period of 14 calendar days in which to withdraw from the credit agreement without giving any reason. That period of withdrawal shall begin (a) either from the day of the conclusion of the credit agreement, or (b) from the day on which the consumer receives the contractual terms and conditions and information to be provided to it pursuant to paragraph 1 of article 125-*bis* of the Consolidated Banking Act, if that day is later than the date referred to under point (a). In case the consumer enforces its right of withdrawal, within thirty days following the date of enforcement the consumer shall pay to the lender any amount outstanding under the relevant consumer loan, plus matured interest and non recoverable expenses paid by the lender to the public administration in connection with the granting of the relevant consumer loan. If the credit agreement has been negotiated by distance marketing, withdrawal periods as calculated under article 67-*duodecies* of the Consumer Code will apply. Pursuant to article 125-*quater* of the Consolidated Banking Act, a consumer may always withdraw from an open-end credit agreement without paying any penalty or expense to the lender. Before the enactment of Legislative Decree 141, rights of withdrawal in favour of consumers under consumer loan agreements were limited to specific cases, such as in case of consumer credit agreement concluded to finance acquisition of goods or services pursuant to a distance contract.

The Issuer

According to the Securitisation Law, the Issuer shall be a *società di capitali*. Under the regime normally prescribed for Italian companies under the Italian Civil Code, it is unlawful for any company (other than banks) to issue securities for an amount exceeding two times the company's share capital. Under the provisions of the Securitisation Law, the standard provisions described above are inapplicable to the Issuer.

The enforcement proceedings in general

The enforcement proceedings can be carried out on the basis of final judgments or other legal instruments known collectively as *titoli esecutivi*.

Save where the law provides otherwise, the enforcement must be preceded by service of the order for the execution (*formula esecutiva*) and the notice to comply (*atto di precetto*).

The notice to comply (*atto di precetto*) is a formal notice by a creditor to his debtor advising that the enforcement proceedings will be initiated if the obligation specified in the title is not fulfilled within a given period (not less than ten days but not more than ninety days from the date on which the notice to comply (*atto di precetto*) is served). If delay would be prejudicial, the court may reduce or eliminate this period upon a justified request of the creditor.

Enforcement of an obligation to pay an amount of money is performed in different ways, according to the kind of the debtor's assets the creditor wants to seize. Therefore and mentioning the most important only, the Italian code of civil procedure provides for different rules concerning respectively:

- distraint and forced liquidation of mobile goods in possession of the debtor;
- distraint and forced liquidation of debtor's receivables or mobile goods in possession of third parties; and
- distraint and forced liquidation of real estate properties.

The Italian Code of Civil Procedure provides for some common provisions applicable to any form of enforcement of an obligation to pay an amount of money and specific rules applicable to each form of enforcement.

Distraint and forced liquidation of assets are carried out in the following steps:

- first, the debtor's goods are seized;
- second, other creditors may intervene;
- third, the debtor's assets are liquidated; and
- fourth, the creditor is paid, or the proceeds from the liquidation of the debtor's assets are distributed amongst the creditors.

Seizure of assets is the necessary first step in forcing the liquidation of a property, when it is not already held in pledge.

Enforcement proceedings on movable assets in possession of the debtor

With reference to the seizure and forced liquidation of movable assets in possession of the debtor, seizure begins with the application of the lawyer to the bailiff to proceed at the debtor's house/office or other place and to seize all the debtor's movable assets he/she will find there. The bailiff may look for the movables assets to seize in the debtor's house or in other places related to such debtor and the bailiff is also free to evaluate assets found and keep them seized. However, certain items of personal property cannot be seized.

After the seizure, the bailiff writes a record that contains the injunction to the debtor to refrain from any act that would interfere with the liquidation of the seized property and the description of the movables beings seized. Normally the debtor is named as custodian of the assets since any interference by causing the destruction, deterioration, or removal of seized property is a criminal offence.

After the seizure, the bailiff must deposit the record and the title executed and the notice to comply in the chancery of the execution judge. In this moment the chancellor will open the file of the execution.

After the deposit of the written petition above, the judge fixes the date for the hearing to define the formalities of the sale. At that hearing the parties can pass their proposals about the formalities of the sale. This hearing is also the last possibility for the parties to raise remedies against the enforcement procedure. If there are no oppositions to the procedure or if the parties reach an agreement about the oppositions, the judge decides for the sale. The judge may choose to delegate the sale to a commission agent. In the delegation, the judge fixes the lowest price of the sale and the total amount which must be obtained from the sale. Otherwise the judge may choose to realise the sale by auction.

After the sale, if there is only one secured creditor without others creditors intervened in the execution, the judge will pay the secured creditor's principal debt and the interests and also the costs of the enforcement proceedings with the sale's proceeds. If there are more than one secured creditor or if there are intervened creditors, they may prepare a project of distribution and propose it to the judge. If the judge agrees, he provides consequently to the distribution. If there is no agreement between the creditors the judge provides to the distribution on the basis of the ranking of the creditors.

In addition to securing the creditor's rights, seizure serves the purpose of identifying the property to be liquidated. When movables in the possession of the debtor are seized, the bailiff must draw up a protocol describing the seized assets and indicating their value. When real estates are seized, distraint is recorded in the land registry, and the value should be set by a special technician appointed by the judge.

The seized assets are entrusted to a custodian. Although the debtor himself may be appointed custodian, he normally may neither use seized property nor keep rents, profits, interest, and similar revenues. Seizure also covers rents, profits, interest, and other revenues of the seized property.

The debtor may avoid the seizure by paying the amount due to the bailiff for delivery to the creditor. Such payment does not constitute recognition of the debt and the debtor is not precluded from bringing an action for restitution of the amount, should he prove that the enforcement procedure was wrongfully instituted.

If the value of seized property exceeds the amount of the debt and costs, the judge, after hearing the creditor and any creditors who have intervened, may order that part of the properties are released.

The creditor may select the property that is to be liquidated. He/she may select various types of property and may bring proceedings in more than one district. However, if he/she selects more properties than necessary to satisfy his/her right, the debtor may apply to have this selection restricted. The creditor who requested the seizure must apply for the sale by auction of the seized assets within a deadline of ninety days, otherwise the seizure lapses.

Normally, the debtor's distrained property is sold (*vendita forzata*). Sometimes, however, property may be assigned to the creditors *in lieu* of sale (*assegnazione forzata*). Seized property may be sold or assigned solely on the motion of the creditor who started the enforcement proceeding or of one of the intervening creditors who possesses an authority to execute. Unless the property is perishable, a motion to sell or assign it may not be made until at least ten days after distraint, but within 45 days.

The creditor who applies for the sale has the duty to anticipate court expenses and the sale fees.

Seized movable property may be sold through acquiring sealed bids (*vendita senza incanto*) or auction (*vendita con incanto*). Seized property may as well be offered for sale in several lots. Once the required amount has been obtained, the sale is discontinued.

Seized property may also be assigned to the creditors instead of being sold. Property may be assigned to discharge the debtor's obligation to the assignees up to the value of the assigned property. If the property is worth more than the amount of the debt, the assignees must pay the balance.

Unless the debtor's assets are assigned to the creditors in satisfaction of their claims, the proceeds of the liquidation must be distributed. The proceeds include:

(a) money received upon the sale or assignment of the debtor's assets;

(b) rents, profits, interest, and other revenues accruing from the debtor's assets during the period of distraint; and

(c) penalties or damages paid to the Court by the defaulting purchasers or assignees.

Distribution of the proceeds is made according to the following steps:

- costs and expenses of the proceeding are paid first;
- preferred creditors are paid in the order of their degree of priority;
- unsecured creditors who commenced or intervened into the proceeding in due time are paid: they share equally, in proportion to the amount of their claims, if there are insufficient funds to satisfy them;

- creditors who intervened after the hearing set for the authorisation of the liquidation of assets: they share the balance in proportion to their claims; and

- any surplus is returned to the debtor.

If there is any dispute concerning the distribution of proceeds, the judge hears the parties and he/she will decide. In this case distribution of the proceeds is suspended except to the extent to which it can be effected without prejudicing the rights of the claimants.

Subrogation

Legislative Decree 141 has introduced in the Consolidated Banking Act article 120-*quater*, which provides for certain measures for the protection of consumers' rights and the promotion of the competition in, *inter alia*, the Italian loan market. Legislative Decree 141 repealed article 8 (except for paragraphs 4-*bis*, 4-*ter* and 4-*quater*) of the Bersani Decree, replicating though, with some additions, such repealed provisions. The purpose of article 120-*quater* of the Consolidated Banking Act is to facilitate the exercise by the borrowers of their right of subrogation of a new bank into the rights of their creditors in accordance with article 1202 (*surrogazione per volontà del debitore*) of the Italian civil code (the **Subrogation**), providing in particular that, in case of a loan, overdraft facility or any other financing granted by a bank, the relevant borrower can exercise the Subrogation, even if the borrower's debt towards the lending bank is not due and payable or a term for repayment has been agreed for the benefit of the creditor. If the Subrogation is exercised by the borrower, a new lender will succeed to the former lender also as beneficiary of all existing ancillary security interests and guarantees. Any provision of the relevant agreement which may prevent the borrower from exercising such Subrogation or render the exercise of such right more cumbersome for the borrower is void. The borrower shall not bear any notarial or administrative cost connected to the Subrogation.

Furthermore, paragraph 7 of article 120-*quater* of the Consolidated Banking Act provides that, in case the Subrogation is not perfected within 30 working days from the date on which the original lender has been requested to cooperate for the conclusion of the Subrogation, the original lender shall indemnify the borrower for an amount equal to 1 per cent. of the loan or facility granted, for each month or fraction of month of delay. The original lender has the right to ask for indemnification from the subrogating lender, in case the latter is to be held liable for the delay in the conclusion of the Subrogation.

Accounting treatment of the Receivables

Pursuant to Bank of Italy's regulations of 29 March 2000 *("Schemi di bilancio delle società di cartolarizzazione dei crediti")*, and on 14 February 2006 (*istruzioni per la redazione dei bilanci degli intermediari finanziari iscritti nell'"elenco speciale", degli IMEL delle SGR e delle SIM*) the accounting information relating to the securitisation of the Receivables will be contained in the Issuer's *nota integrativa*, which, together with the balance sheet and the profit and loss statements form part of the financial statements of Italian companies.

TAXATION

The following is a general description of current Italian law and practice relating to certain Italian tax considerations concerning the purchase, ownership and disposal of the Notes. It does not purport to be a complete analysis of all tax considerations that may be relevant to your decision to purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of prospective beneficial owners of Notes, some of which may be subject to special rules.

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

Prospective Noteholders who may be unsure as to their tax position should seek their own professional advice.

Income tax

Under the current legislation, pursuant to the provision of Article 6, paragraph 1, of the Securitisation Law and to Decree 239 and Law Decree No. 66 of 24 April 2014, converted into Law No. 89 of 23 June 2016 (**Decree 66**) payments of interest and other proceeds in respect of the Notes:

(a) will be subject to a final *imposta sostitutiva*, levied in Italy at the current rate of 26 per cent., if made to beneficial owners who are: (i) individuals resident in Italy for tax purposes, holding the Notes not in connection with entrepreneurial activities (unless they have entrusted the management of their financial assets, including the Notes, to an authorised intermediary and have opted for the *risparmio gestito* regime according to Article 7 of Italian Legislative Decree No. 461 of 21 November 1997 (**Decree 461**)) - the **Asset Management Option**); (ii) Italian resident partnerships (other than *società in nome collettivo*, *società in accomandita semplice* or similar partnerships), *de facto* partnerships not carrying out commercial activities and professional associations; (iii) Italian resident public and private entities, other than companies, including trusts, not carrying out commercial activities; (iv) Italian resident entities exempt from corporate income tax; and (v) non-Italian resident entities or persons without a permanent establishment in Italy to which the Notes are effectively connected, which are not eligible for the exemption from the *imposta sostitutiva* and/or do not timely comply with the requirements set forth in Decree 239 and the relevant application rules in order to benefit from the exemption from *imposta sostitutiva*. As to non-Italian resident beneficial owners, *imposta sostitutiva* may apply at lower or nil rate under double taxation treaties entered into by Italy, where applicable.

The 26 per cent. final *imposta sostitutiva* (or, in certain cases, for treaty covered non-Italian resident beneficial owners, the lower rate provided for by the relevant applicable double tax treaty) will be generally applied by the Italian resident qualified financial intermediaries (or permanent establishments in Italy of foreign intermediaries) that will intervene, in any way, in the collection of Interest on the Notes or in the transfer of the Notes (the **Intermediaries** and each an **Intermediary**).

In case the Notes are held by Noteholders mentioned above under (i) to (iii) that are engaged in a business activity to which the Notes are connected, the *imposta sostitutiva* applies as a provisional tax and may be deducted from the income tax due by the Noteholders;

(b) will not be subject to the *imposta sostitutiva* at the rate of 26 per cent. if made to beneficial owners who are: (i) Italian resident corporations, commercial entities (including trusts carrying out commercial activities), or permanent establishments in Italy of non-resident corporations to which the Notes are effectively connected; (ii) Italian resident collective investment funds, Italian resident pension funds referred to in Italian Legislative Decree No. 252 of 5 December 2005 and Italian

resident real estate investment funds; (iii) Italian resident individuals holding Notes not in connection with entrepreneurial activity who have entrusted the management of their financial assets, including the Notes, to an Italian authorised financial intermediary and have opted for the Asset Management Option; and (iv) non-Italian resident beneficial owners of the Notes with no permanent establishment in Italy to which the Notes are effectively connected, *provided that*:

(i) pursuant to Article 6, paragraph 1, of Decree 239, non Italian resident beneficial owners are resident, for tax purposes in a country which recognises the Italian fiscal authorities' right to an adequate exchange of information. The list of foreign jurisdictions that currently satisfy this requirement is provided by Ministerial Decree dated 4 September 1996 as subsequently amended and supplemented (so called **White List Countries**). Such Decree might be updated or amended pursuant to Article 11 of Decree 239; and

(ii) all the requirements and procedures set forth in Decree 239 and in the relevant application rules, as subsequently amended, in order to benefit from the exemption from *imposta sostitutiva* are timely met and complied with.

Decree 239 also provides for additional exemptions from the imposta sostitutiva for payments of Interest in respect of the Notes made to (i) international bodies and organisations established in accordance with international agreements ratified in Italy, and (ii) Central Banks or entities, managing, inter alia, also the official State reserves.

To ensure payment of interest and other proceeds in respect of the Notes without the application of *imposta sostitutiva*, investors indicated above must:

(1) be the beneficial owners of payments of interest on the Notes or certain non-Italian resident institutional investors;

(2) timely deposit the Notes together with the coupons relating to such Notes directly or indirectly with an Intermediary or with a non-Italian resident entity participating in a centralised securities management system which is in contact, via telematic link, with the Ministry of Economics (which includes Euroclear and Clearstream); and

(3) in the event of non-Italian resident beneficial owners or institutional investors being holders of the Notes, according to Decree 239, timely file with the relevant depository a self-declaration stating to be resident for tax purposes or established in a country which recognises the Italian tax authorities' right to an adequate exchange of information included among the White List Countries (for non-Italian resident Noteholders who are institutional investors certain additional declarations should also be made). Such self-declaration - which is not requested for international bodies and organisations established in accordance with international agreements ratified in Italy and Central Banks or entities managing also official State reserves - must comply with the requirements set forth by Ministerial Decree of 12 December 2001, is valid until withdrawn or revoked and must not be submitted in case that a certificate, declaration or other similar document meant for equivalent uses was previously submitted to the same depository.

White List Counteries are currently identified by Ministerial Decree of 4 September 1996, as subsequently amended and supplemented from time to time. Pursuant to Article 11, paragraph 4, let. c) of Decree 239, the Ministry of Finance should update the White List Countries on a semi-annual basis.

Italian resident Noteholders holding Notes not in connection with entrepreneurial activity who have entrusted the management of the Notes to an authorised intermediary and have opted for the Asset Management Option are subject to a 26 per cent. annual substitutive tax (the **Asset Management Tax**) on the increase in value of the managed assets accrued at the end of each tax year (which increase would include any interest accrued on the Notes during the holding period). The Asset Management Tax is applied on behalf of the taxpayer by the managing authorised intermediary.

Interest accrued on the Notes would be included in the taxable business income (and in certain circumstances, depending on the "status" of the Noteholders, also in the net value of production for the purposes of regional tax on the value of production - IRAP) of beneficial owners who are (i) Italian resident corporations or similar commercial entities or permanent establishments in Italy of foreign corporation to which the Notes are effectively connected, subject to tax in Italy in accordance with ordinary tax rules and (ii) Italian resident individuals engaged in an entrepreneurial activity to which the Notes are effectively connected.

Italian resident undertakings for collective investment (the **UCIs**) are not subject to income tax. A withholding tax of 26 per cent. is levied, in certain circumstances, to distribution made by the UCIs in favour of certain categories of unitholders or shareholders.

Italian resident pension funds subject to the regime set forth by Article 17, paragraph 2, of Legislative Decree No. 252 of 5 December 2005 (the **Pension Funds**) are subject to a 20 per cent. annual substitutive tax (the **Pension Fund Tax**) on the increase in value of the managed assets accrued at the end of each tax year (which increase would include interest accrued on the Notes during the holding period).

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity and social security entities or Pension Fund pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income taxation, including the *imposta sostitutiva*, on interest, premium and other income relating to the Notes if the Notes are included in a long term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (100-114) of Law No. 232 of 11 December 2016 (the "**Finance Act 2017**") as amended by Law No. 145 of 30 December 2018 (the "**Finance Act 2019**").

Under the current regime provided by Law Decree No. 351 of 25 September 2001, as clarified by the Italian Ministry of Economy and Finance through Circular No. 47/E of 8 August 2003, payments of Interest in respect of Notes made to Italian resident real estate investment funds established pursuant to Article 37 of the Financial Laws Consolidation Act and Article 14-*bis* of Law No. 86 of 25 January 1994 and to Italian resident SICAFs to which the provisions of Article 9 of Legislative Decree No. 44 of 4 March 2014 apply (the **Real Estate UCIs**), are subject neither to substitute tax nor to any other income tax in the hands of the Real Estate UCIs.

Where the Notes and the relevant coupons are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any Italian intermediary (or permanent establishment in Italy of foreign intermediary) that intervenes in the payment of Interest to any Noteholder or by the Issuer and Noteholders who are Italian resident companies or permanent establishments in Italy of foreign corporations to which the Notes are effectively connected are entitled to deduct the *imposta sostitutiva* suffered from income taxes due by them.

Capital gains

Any capital gain realised upon the sale for consideration or redemption of the Notes would be treated as part of the taxable business income (*reddito d'impresa*) (and, in certain cases, may also be included in the taxable net value of production for IRAP purposes), subject to tax in Italy according to the relevant tax provisions, if derived by Noteholders who are:

(a) Italian resident corporations or similar commercial entities;

(b) Italian resident commercial partnerships;

(c) permanent establishments in Italy of foreign corporations to which the Notes are effectively connected; or

(d) Italian resident individuals carrying out a commercial activity, as to any capital gains realised within the scope of the commercial activity carried out.

Pursuant to Decree 461, any capital gain realised by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity and certain other persons upon sale for consideration or redemption of the Notes would be subject to an *imposta sostitutiva* currently levied at 26 per cent.

The capital gain/loss is represented by the positive/negative difference between the Notes' sale price (or the redemption value) and the purchase or subscription price (or value) gross of any inherent expenses (stamp duties, commissions, notary fees, etc.). Such difference is to be considered net of any interest (or issue margin) accrued but not yet paid, which is to be taxed according to the criteria explained under the previous paragraph, headed "Income tax". If a negative difference arises from a relevant transaction, such difference represents a capital loss which can be, in general terms, carried forward and set off with future gains of a similar nature.

Three different regimes may apply to the taxation of a resident investor, holding the Notes otherwise than in connection with an entrepreneurial activity, with reference to capital gains not pertaining to business activities:

(1) under the tax declaration regime, which is the standard regime for taxation of capital gains realised by Italian resident individuals not engaged in an entrepreneurial activity, *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains, net of any incurred capital loss, realised by such Italian resident individuals holding the Notes not in connection with an entrepreneurial activity pursuant to all disposals of Notes carried out during any given fiscal year. Italian resident individuals holding Notes not in connection with entrepreneurial activity must report overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return to be filed with the Italian tax authorities for such year and pay the *imposta sostitutiva* on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains realized on the Notes may be carried forward and deducted from capital gains realised in any of the four succeeding tax years;

(2) as an alternative to the tax declaration regime, Italian resident individual Noteholders holding the Notes not in connection with an entrepreneurial activity may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Notes (the ***Risparmio Amministrato*** **Regime**). Such separate taxation regime of capital gains is allowed subject to (i) the Notes being deposited with Italian banks, *SIM*s or certain authorised financial intermediaries and (ii) an express election for the *Risparmio Amministrato* Regime being timely made in writing by the relevant Noteholder. Under the *Risparmio Amministrato* Regime, the financial intermediary is responsible for the accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Notes (as well as in respect of capital gains realised at revocation of its mandate), net of any capital loss previously incurred, and is required to pay the relevant amount to the Italian fiscal authorities on behalf of the taxpayer, deducting a corresponding amount from proceeds to be credited to the Noteholder. Under the *Risparmio Amministrato* Regime, where a sale or redemption of the Notes results in a capital loss, such loss may be deducted. Under the *Risparmio Amministrato* Regime, the Noteholder is not required to declare capital gains in its annual tax return; and

(3) in the event that the Notes form part of a portfolio of securities managed by qualified Italian professional intermediaries, any capital gains realised by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity who have elected for the Asset Management Option will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a substitute tax to be levied at 26 per cent. by the managing authorised intermediary. Under the Asset Management Option, any decrease in value of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the Asset Management Option, the Noteholder is not required to report capital gains realised in its annual tax return.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not engaged in an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996

may be exempt from Italian capital gain taxes, including the *imposta sostitutiva*, on capital gains realised upon sale or redemption of the Notes if the Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of Finance Act 2017 and in Article 1(210-215) of Finance Act 2019.

Any capital gains realised through the transfer for consideration or redemption of the Notes by beneficial owners which are Funds will not be subject to any withholding or substitute tax. A withholding tax may apply in certain circumstances to certain categories of investors at the rate of up to 26 per cent. on distributions and/or redemptions or disposal of the units or shares in the Fund made by the Fund.

Any capital gains realised by Noteholders who are Italian resident pension funds subject to the regime provided by Article 17 of Legislative Decree No. 252 of 5 December 2005, will be included in the computation of the taxable basis of the Pension Fund Tax. Subject to certain conditions (including minimum holding period requirement) capital gains relating to the Notes may be excluded from the taxable base of the 20 per cent. substitute tax if the Notes are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (100-114) of Finance Act 2017 and in Article 1(210-215) of Finance Act 2019.

Any capital gains realised on the transfer of or redemption of the Notes by beneficial owners which are Italian Real Estate Funds are not subject to any substitute tax at the fund level nor to any other income tax in the hands of the Real Estate Fund. However, a withholding tax at a rate of up to 26 per cent. may apply under certain circumstances on income realised by the participants to the Real Estate Fund upon distributions and/or redemption of the Real Estate Fund's units or shares (where the item of income realised by the participants may include the capital gains on the Notes).

The 26 per cent. final *imposta sostitutiva* on capital gains may in certain circumstances be payable on capital gains realised upon sale for consideration or redemption of the Notes by non-Italian resident individuals or entities without a permanent establishment in Italy to which the Notes are effectively connected, if the Notes are held in Italy.

However, pursuant to Article 23 of Italian Legislative Decree 17 of 22 December 1986, any capital gains realised by non-Italian residents without a permanent establishment in Italy to which the Notes are effectively connected through the sale for consideration or redemption of the Notes are exempt from taxation in Italy to the extent that the Notes are listed on a regulated market in Italy or abroad (including the Luxembourg Stock Exchange) and in certain cases subject to timely filing of required documentation (in particular, a self-declaration by the relevant Noteholder certifying that it is not resident in Italy for tax purposes), even if the Notes are held in Italy and regardless of the provisions set forth by any applicable double tax treaty.

In case the Notes are not listed on a regulated market in Italy or abroad:

(i) pursuant to the provisions of Decree 461 and Decree 239, non-Italian resident beneficial owners of the Notes with no permanent establishment in Italy to which the Notes are effectively connected are exempt from the *imposta sostitutiva* in Italy on any capital gains realised, upon sale for consideration or redemption of the Notes if they are resident, for tax purposes, in a White List Country.

In such case, if such non-Italian residents, resident for tax purposes in a White List Country, without a permanent establishment in Italy to which the Notes are effectively connected elect for the *Risparmio Amministrato* Regime or the Asset Management Option, exemption from Italian capital gains tax will apply on condition that they file in time with the authorised financial intermediary an appropriate self-declaration certifying that they meet the requirements indicated above;

(ii) in any event, non-Italian resident individuals or entities without a permanent establishment in Italy to which the Notes are effectively connected that may benefit from a double taxation treaty with Italy, *provided that* capital gains realised upon sale or redemption of Notes are to be taxed only in

the country of tax residence of the recipient, will not be subject to *imposta sostitutiva* in Italy on any capital gains realised upon sale for consideration or redemption of Notes. In such case, if non-Italian residents without a permanent establishment in Italy to which the Notes are effectively connected elect for the *Risparmio Amministrato* Regime or the Asset Management Option, exemption from Italian capital gains tax will apply upon condition that they file in time with the authorised financial intermediary appropriate documents which include, *inter alia*, a confirmatiuon of tax residence from the competent tax authorities of the country of residence of the non-Italian residents.

Trusts

According to Article 73, paragraph 2, of Italian Presidential Decree No. 917 of 22 December 1986, as amended by paragraph 74, Article 1, of Law 27 December 2006 No. 296, if the beneficiaries are named in the trust documents and, as clarified by the Italian tax authorities, such beneficiaries are entitled to claim from the trustee the distribution of trust's income, any such beneficiary will be taxed on the part of trust's income to which it is entitled. Moreover, according to Article 73, paragraph 3, of Italian Presidential Decree No. 917 of 22 December 1986, as amended by paragraph 74, Article 1, of Italian Law 27 December 2006 No. 296, trusts that are not Italian resident could be considered Italian resident for tax purposes if (i) they are created in a country which is not a White List Country and at least one settlor and one beneficiary of the trust are Italian tax residents; or (ii) it is created in a country described under point (i) above and, following incorporation of the trust, an Italian resident person transfers certain assets to the trust.

Inheritance and gift tax

Italian Law No. 286 of 24 November 2006 (published on the Official Gazette No. 277 of 28 November 2006), which has converted into law, with amendments, Article 2, paragraph 48 of Italian Law Decree No. 262 of 3 October 2006, has introduced inheritance and gift tax to be paid at the transfer of assets (such as the Notes) and rights by reason of death or gift. As regards the inheritance and gift tax to be paid at the transfer of the Notes by reason of death or gift, the following rates apply:

(a) transfers in favour of spouses and direct descendants or direct relatives are subject to a registration tax of 4% on the value of the inheritance or the gift exceeding Euro 1,000,000.00 for each transferee;

(b) transfers in favour of brothers and sisters are subject to a registration tax of 6% on the value of the inheritance or the gift exceeding Euro 100,000.00 for each transferee;

(c) transfers in favour of relatives up to the fourth degree or relatives-in-law to the third degree, are subject to a registration tax of 6% on the entire value of the inheritance or the gift;

(d) any other transfer is subject to a registration tax of 8% on the entire value of the inheritance or the gift;

(e) transfers in favour of seriously disabled persons are subject to a registration tax at the relevant rate as described above on the value of the inheritance or the gift exceeding Euro 1,500,000.00 for each transferee.

Moreover, an anti-avoidance rule is provided by Italian Law No. 383 of 18 October 2001 for any gift of assets (such as the Notes) which, if sold for consideration, would give rise to capital gains subject to the imposta sostitutiva provided for by Decree 461. In particular, if the donee sells the Notes for consideration within five years from the receipt thereof as a gift, the donee is required to pay the relevant imposta sostitutiva on capital gains as if the gift had never taken place.

Transfer tax

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

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

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

Stamp duty

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

The statement is considered to be sent at least once a year, even for instruments for which is not mandatory nor the deposit nor the release or the drafting of the statement. In case of reporting periods of less than 12 months, the stamp duty is payable pro-rata.

Based on the wording of the law and the implementing decree issued by the Italian Ministry of Finance on 24 May 2012, the stamp duty applies to any investor who is a client (as defined in the regulations issued by the Bank of Italy on 29 July 2009, as subsequently amended, supplemented and restated) of an entity that exercises in any form a banking, financial or insurance activity within the Italian territory.

Wealth tax on foreign financial activities

According to the provisions set forth by Law Decree No. 201 of 6 December 2011, converted into Law No. 214 of 22 December 2011, as amended and/or supplemented, Italian resident individuals holding the Notes outside the Italian territory are required to pay an additional tax at a rate of 0.2 per cent. In this case the above mentioned stamp duty provided for by Article 13 of the tariff attached to Decree 642 does not apply.

This tax is calculated on the market value of the Notes at the end of the relevant year or - if no market value figure is available - the nominal value or the redemption value or, in the case the face or redemption values cannot be determined, on the purchase value of such financial assets held outside the Italian territory. Taxpayers are entitled to an Italian tax credit equal to the amount of wealth taxes paid in the State where the financial assets are held (up to an amount equal to the Italian wealth tax due).

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

Wealth Tax on securities abroad

Pursuant to Article 19(18) of Decree 201, Italian resident individuals holding the Notes outside the Italian territory are required to pay an additional tax the current rate of 0.2 per cent..

This tax is calculated on the market value of the Notes at the end of the relevant year or - if no market value figure is available - the nominal value or the redemption value of such financial assets held outside the

Italian territory. Taxpayers are entitled to an Italian tax credit equivalent to the amount of wealth taxes paid in the State where the financial assets are held (up to an amount equal to the Italian wealth tax due).

Authomatic Exchange of Information under Directive on Administrative Cooperation in the field of Taxation

On 3 June 2003, the EU Council of Economic and Finance Ministers (**ECOFIN**) adopted a directive regarding the taxation of savings income (**EU Savings Directive** or the **Directive**). Under the Directive each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income paid by a person within its jurisdiction to an individual resident in that other Member State. A number of non-EU countries and certain dependent or associated territories of certain Member States, have adopted similar measures (either provision of information or transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such person for, an individual resident in a Member State. In addition, the Member States have entered into provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in a Member State to, or collected by such a person from, an individual resident in one of those territories.

Italy originally implemented the Directive through Legislative Decree No. 84 of 18 April 2005 (**Decree 84**).

On 10 November 2015, the EU Council Directive 2015/2060/EU, under proposal of the European Commission, repealed the EU Savings Directive which was replaced by the DAC, as amended and supplemented from time to time, on administrative cooperation in the field of taxation. This is to prevent overlap between the EU Savings Directive and the new automatic exchange of information regime to be implemented under the DAC.

The new regime under DAC is in accordance with the Global Standard released by the Organisation for Economic Co-operation and Development in July 2014. It is worth mentioning that the range of payments to be automatically reported under the DAC is broader than the scope of the automatic information previously foreseen by the EU Savings Directive. Moreover, unlike the EU Saving Directive, the DAC does not impose withholding taxes.

The DAC has been implemented in Italy through Legislative Decree No. 29 of 4 March 2014, as amended and supplemented from time to time, and with Ministerial Decree of 28 December 2015 issued by the Minister of Economy and Finance, as amended and supplemented from time to time, (published in the Official Gazette No. 303 of 31 December 2015). Accordingly, Legislative Decree No. 84 of 18 April 2005 (implementing in Italy the EU Saving Directive) has been repealed with effect from 1 January 2016 by Article 28 of Law No. 122 of 7 July 2016.

Finally, on 25 May, 2018 the EU Council Directive 2018/822 (the **DAC 6**) has been adopted. Under the DAC 6 intermediaries which meet certain EU nexus criteria and taxpayers are required to disclose to the relevant Tax Authorities certain cross-border arrangements, which contain one or more of a prescribed list of hallmarks, performed from 25 June 2018 onwards.

SUBSCRIPTION AND SALE

1. The Subscription Agreement

Pursuant to the Subscription Agreement entered into on or about the Issue Date among, *inter alia*, the Issuer, the Santander Consumer Bank S.p.A. (in its capacity as both the Seller and Initial Subscriber), the Representative of the Noteholders and the Arranger, the Initial Subscriber has undertaken on a best endeavours basis to subscribe and make payment for, or procure subscription of and payment for the Notes on the Issue Date at a subscription price of 100 per cent. of the principal amount of each Class of Notes.

The Subscription Agreement is subject to a number of conditions and may be terminated by the Initial Subscriber and/or the Ararnger in certain circumstances prior to payment for the Notes to the Issuer. Both the Issuer and the Seller have agreed to indemnify the Arranger against certain liabilities in connection with the issue of the Notes.

Under the Notes Subscription Agreement, Santander Consumer Bank as Seller has undertaken that it will: (i) retain a material net economic interest of at least 5 (five) per cent. in the Securitisation in accordance with option (d) of article 6(3) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards; (ii) not change the manner in which the net economic interest is held, unless expressly permitted by article 6(3) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards; (iii) procure that any change to the manner in which such retained interest is held in accordance with paragraph (ii) above will be notified to the Computation Agent to be disclosed in the Investors Report; and (iv) comply with the disclosure obligations imposed on originators under article 7(1)(e)(iii) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards, subject always to any requirement of law, provided that the Seller is only required to do so to the extent that the retention and disclosure requirements under the EU Securitisation Regulation and the applicable Regulatory Technical Standards are applicable to the Securitisation. In addition, the Seller has undertaken that the material net economic interest held by it shall not be split amongst different types of retainers and shall not be subject to any credit-risk mitigation or hedging, in accordance with article 6(3) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards.

The Subscription Agreement and any non-contractual obligations arising out of, or in connection with, it are governed by, and shall be construed in accordance with, Italian law.

2. Selling restrictions

United States of America

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to or for the account or benefit of a U.S. person except in accordance with Regulation S or pursuant to any other exemption from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and the regulations thereunder.

The Initial Subscriber has represented, warranted and agreed that it has not offered or sold the Notes and will not offer or sell any Notes constituting part of its allotment within the United States or to, or for the benefit of, a U.S. person except in accordance with Rule 903 of Regulation S under the

Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Initial Subscriber has represented and agreed that neither it, nor its affiliates, nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes, and that it has and they have complied and will comply with the offering restrictions requirements of Regulation S. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until the expiration of 40 days after the commencement of the offering, an offer or sale of the Notes within the United States by any dealer, distributor or other person (whether or not participating in this offering) may violate the requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Republic of Italy

The offering of the Notes has not been registered with *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") (the Italian securities and exchange commission) pursuant to Italian securities legislation and, accordingly, the Initial Subscriber has represented and agreed, pursuant to the Subscription Agreement, that

(a) it has not offered, sold or distributed, and will not offer, sell or distribute, any Notes or any copy of the Prospectus or any other offer document in the Republic of Italy by means of an offer to the public of financial products under the meaning of article 1, paragraph 1, letter t) of the Financial Laws Consolidated Act, unless an exemption applies

(b) the Notes shall only be offered, sold or delivered and copies of the Prospectus or of any other offering material relating to the Notes may only be distributed in Italy:

  (i) to "qualified investors" (*investitori qualificati*), pursuant to article 100 of the Financial Laws Consolidated Act and article 34-ter, paragraph 1, letter (b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended (the "**CONSOB Regulation**"); or

  (ii) in any other circumstances where an express exemption from compliance with the restrictions on offers to the public applies, as provided under article 100 of the Financial Laws Consolidated Act and article 34-ter of the CONSOB Regulation.

Moreover, and subject to the foregoing, any offer, sale or delivery of the Notes or distribution of copies of the Prospectus or any other document relating to the Notes in the Republic of Italy under paragraphs (i) or (ii) above must be:

(a) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Laws Consolidated Act, the Consolidated Banking Act and CONSOB Regulation 20307 of 15 February 2018, all as amended;

(b) in compliance with article 129 of the Consolidated Banking Act and with the implementing instructions of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request post-offering information on the offering or issue of securities in the Republic of Italy; and

(c) in accordance with any other applicable laws and regulations, including all relevant Italian securities, tax and exchange controls, laws and regulations and any limitations which may be imposed from time to time, inter alia, by CONSOB or the Bank of Italy.

Notwithstanding the above, in no event may the Junior Notes be sold or offered for sale (on the Issue Date or at any time thereafter) to individuals (*persone fisiche*) residing in the Republic of Italy.

United Kingdom

The Initial Subscriber has represented and agreed with the Issuer that:

(a) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom; and

(b) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer.

Spain

The Initial Subscriber has represented and agreed with the Issuer that it has not offered, sold or distributed, and will not offer, sell or distribute, any Notes in Spain except:

(a) in accordance with the requirements of the Spanish Securities Market Act 4/2015, of October 23 (*Real Decreto Legislativo 4/2015, de 23 de octubre, por el que se aprueba el texto refundido de la Ley del Mercado de Valores*), as further amended and restated, and Royal Decree 1310/2005, of 4 November, on issues and public offerings of securities (*Real Decreto 1310/2005, de 4 de noviembre, por el que se desarrolla parcialmente la Ley 24/1988, de 28 de julio, del Mercado de Valores en materia de admisión a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos*), as amended and restated from time to time, and the decrees and regulations made thereunder, and Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (repealing Directive 2003/71/EC); and

(b) in circumstances which do not constitute an offer of securities in Spain within the meaning set out under the Spanish securities laws and regulations. The Initial Subscriber has further represented and warranted that no application has been made by it to obtain an authorisation from the Spanish Securities and Exchange Commission ("*Comisión Nacional del Mercado de Valores"*) for the public offering of the Notes in Spain.

Prohibition of Sales to EEA Retail Investors

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MiFID II**"); (ii) a customer within the meaning of IMD, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Directive. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

European Economic Area

In relation to each Member State of the European Economic Area, each of the Class A Noteholder and the Class Z Noteholder has represented, warranted and agreed that it has not made and will not make an offer of Notes to the public in that Member State except that it may make an offer of such Notes to the public in that Member State:

(a) *Qualified investors*: at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;

(b) *Fewer than 150 offerees*: at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) as permitted under the Prospectus Regulation; or

(c) *Other exempt offers*: at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision:

(i) the expression **an offer of Notes to the public** in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes; and

(ii) the expression **Prospectus Regulation** means Regulation (EU) 2017/1129.

REGULATORY DISCLOSURE AND RETENTION UNDERTAKING

Please refer to paragraph headed "*Regulatory initiatives may result in increased regulatory capital requirements and/or decreased liquidity in respect of asset backed securities*" of the section entitled "*Risk Factors*" for further information on the implications of the EU Securitisation Regulation for certain investors in the Notes.

The EU Securitisation Regulation

On 12 December 2017, the European Parliament adopted the EU Securitisation Regulation which applies from 1 January 2019. The EU Securitisation Regulation creates a single set of common rules for European "institutional investors" (as defined in the EU Securitisation Regulation) as regards (i) risk retention, (ii) due diligence, (iii) transparency, and (iv) underwriting criteria for loans to be comprised in securitisation pools. Such common rules replace the existing provisions in CRR, the AIFM Regulation and the Solvency II Regulation and introduce similar rules for UCITS management companies as regulated by the UCITS Directive and institutions for occupational retirement provisions falling within the scope of Directive (EU) 2016/2341 or an investment manager or an authorised entity appointed by an institution for occupational retirement provisions pursuant to article 32 of Directive (EU) 2016/2341.

In relation to retention requirements, article 6 of the EU Securitisation Regulation specifies that the originator, sponsor or original lender of a securitisation shall retain on an ongoing basis a material net economic interest in the securitisation of not less than 5 (five) per cent. choosing among any of the options set out in article 6, paragraph 3 of the EU Securitisation Regulation.

Retention undertaking

Santander Consumer Bank will: (i) retain a material net economic interest of at least 5 (five) per cent. in the Securitisation in accordance with option (d) of article 6(3) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards; (ii) not change the manner in which the net economic interest is held, unless expressly permitted by article 6(3) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards; (iii) procure that any change to the manner in which such retained interest is held in accordance with paragraph (ii) above will be notified to the Computation Agent to be disclosed in the Investors Report; and (iv) comply with the disclosure obligations imposed on originators under article 7(1)(e)(iii) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards, subject always to any requirement of law, provided that the Seller is only required to do so to the extent that the retention and disclosure requirements under the EU Securitisation Regulation and the applicable Regulatory Technical Standards are applicable to the Securitisation. In addition, the Seller has undertaken that the material net economic interest held by it shall not be split amongst different types of retainers and shall not be subject to any credit-risk mitigation or hedging, in accordance with article 6(3) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards.

Investors to assess compliance

Each prospective investor is required to independently assess and determine the sufficiency of the information described above and in this Prospectus generally for the purposes of complying with each of the provisions described above and any corresponding implementing measure which may be applicable, and none of the Issuer, nor the Arranger nor the Noteholders or any other parties to the Transaction Documents make any representation that the information described above or in this Prospectus is sufficient in all circumstances for such purposes. In addition each prospective Noteholder should ensure that they comply with the implementing provisions in respect of the EU Securitisation Regulation.

Investors who are uncertain as to the requirements which apply to them in respect of their relevant jurisdiction, should seek guidance from their regulator.

GENERAL INFORMATION

Listing and admission to trading

Application has been made to the CSSF, in its capacity as competent authority under the Luxembourg Act relating to prospectuses for securities, for the approval of this Prospectus for the purposes of Regulation (EU) 2017/1129 and relevant implementing measures in Luxembourg. Application has also been made to the Luxembourg Stock Exchange for the Senior Notes and the Mezzanine Notes to be admitted to the official list of the Luxembourg Stock Exchange and to trading on the regulated market "Bourse de Luxembourg", which is a regulated market for the purposes of the Market in Financial Instruments Directive 2014/65/EU. By approving this Prospectus, the CSSF shall give no undertaking as to the economic or financial opportuneness of the transaction or the quality and solvency of the Issuer. Any information in this Prospectus regarding the Junior Notes is not subject to the CSSF's approval.

Authorisations

The Issuer has obtained all necessary consents, approvals and authorisations in Italy in connection with the issue and performance of the Notes.

The Securitisation and the issue of the Notes have been authorised by the Issuer through the resolutions of the quotaholders' meetings of the Issuer passed on 13 December 2019 .

Funds available to the Issuer

The principal source of funds available to the Issuer for the payment of interest and the repayment of principal on the Notes will be from the Collections and the Recoveries made in respect of the Aggregate Portfolio.

Clearing of the Notes

The Notes have been accepted for clearance through Monte Titoli by Euroclear and Clearstream, Luxembourg. Monte Titoli shall act as depository for Euroclear and Clearstream, Luxembourg. The ISINs Codes and the Common Codes for the Senior Notes and the Mezzanine Notes are as follows:

Class	*ISIN*	*Common Codes*
Class A Notes	IT0005402570	212849251
Class B Notes	IT0005402588	212849499

The ISIN Code and the Common Code for the Junior Notes are the following:

Class	*ISIN*	
Class Z Notes	IT0005402604	212849634

No material litigation

Since 12 September 2000, being the date of incorporation of the Issuer, there have been no pending or threatened governmental, legal or arbitration proceedings which may have, or have had in the recent past, significant effects on the Issuer and/or the Issuer's group's financial position or profitability.

No material adverse change

Since 31 December 2018, there has been no material adverse change in the financial position or prospects of the Issuer.

No borrowings or indebtedness

Save as disclosed in this Prospectus in the Section "*The Issuer - Financial information relating to the Issuer as at 31 December 2016, 31 December 2017 and 31 December 2018*", the Issuer has no outstanding loan capital, borrowings, indebtedness or contingent liabilities, nor has the Issuer created any mortgages, charges or given any guarantees.

Notes freely transferable

The Notes shall be freely transferable.

No synthetic securitisation

The Notes are backed only by the Receivables that are purchased by the Issuer and not through the use of credit derivatives or other similar financial instruments.

Documents available for inspection

For as long as any of the Notes remain outstanding, copies of the following documents are available in physical and electronic form for inspection during normal business hours at the registered office of the Issuer and of the Representative of the Noteholders (and, with respect to the documents under paragraphs (i) to (xiii) (included) below, also at the website of European DataWarehouse (being, as at the date of the Prospectus, www.eurodw.eu) or any other securitisation repository registered pursuant to article 10 of the EU Securitisation Regulation:

(i) Master Transfer Agreement;

(ii) Servicing Agreement;

(iii) Warranty and Indemnity Agreement;

(iv) Intercreditor Agreement;

(v) Cash Allocation, Management and Payment Agreement;

(vi) Spanish Deed of Pledge;

(vii) Mandate Agreement;

(viii) Quotaholders Agreement;

(ix) Corporate Services Agreement;

(x) Subordinated Loan Agreement;

(xi) Master Definitions Agreement;

(xii) Stichtingen Corporate Services Agreement;

(xiii) Prospectus;

(xiv) Monte Titoli Mandate Agreement;

(xv) By-laws and Articles of Association of the Issuer; and

(xvi) the documents incorporated by reference in this Prospectus.

Copies of each of the Articles of Association and the By-laws of the Issuer may be also obtained at the following webpages:

1. Issuer's article of association (*Atto Costitutivo*) as of the date hereof that can be obtained at the webpage: https://www.santanderconsumer.it/sites/default/files/2020-02/Atto%20costitutivo%20Golden%20Bar%20English%20version.pdf; and

2. Issuer's by-laws (*Statuto*) as of the date hereof that can be obtained at the webpage: https://www.santanderconsumer.it/sites/default/files/2020-02/Statuto%20Golden%20Bar%20English%20version.pdf.

The Prospectus will be also published at the following webpage https://www.santanderconsumer.it/sites/default/files/2020-02/1206297087_Golden_Bar_2020-1_-_Prospectus.pdf and on the website of the Luxembourg Stock Exchange (www.bourse.lu).

The documents listed under paragraphs (i) to (xiii) (included) above constitute all the underlying documents that are essential for understanding the Securitisation and include, but not limited to, each of the documents referred to in point (b) of article 7(1) of the EU Securitisation Regulation. Each of said documents will also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Financial statements available

The Issuer will produce proper accounts (*ordinaria contabilità interna*) and audited financial statements in respect of each financial year. The Issuer's accounting reference date is 31 December in each year. So long as any of the Notes remains outstanding, copies of these documents are promptly deposited after their approval at the specified office of the Representative of the Noteholders, where such documents are available for inspection and where copies of such documents may be obtained free of charge in physical and/or electronic form upon request during usual business hours.

The Issuer will produce, and will make available at its registered office, proper accounts (*ordinata contabilità interna*) and audited (to the extent required) financial statements in respect of each financial year (commencing on 1 January and ending on 31 December) but will not produce interim financial statements.

The auditors of the Issuer were Deloitte & Touche S.p.A. with offices at Galleria San Federico, 54, 10121 Turin, Italy. They have audited the Issuer's accounts, without qualification, in accordance with generally accepted auditing standards in Italy for each of the financial years ended on 31 December of each year from 2000 to 2015.

The Issuer and Deloitte & Touche S.p.A. agreed to early terminate the mandate and the Quotaholders' Meeting of the Issuer held on 29 March 2016 resolved to appoint PriceWaterhouseCoopers S.p.A. to audit the financial statements of the Issuer.

Post-issuance reporting

The Issuer will not provide any post-issuance reporting, except if required by any applicable laws and regulations.

Transparency requirements under the EU Securitisation Regulation

Under the Intercreditor Agreement, the parties thereto have acknowledged that the Seller shall be responsible for compliance with article 7 of the EU Securitisation Regulation.

Each of the Issuer and the Seller has agreed that Santander Consumer Bank is designated as Reporting Entity, pursuant to and for the purposes of article 7(2) of the EU Securitisation Regulation and, in such capacity as Reporting Entity, it has fulfilled before pricing and/or shall fulfil after the Issue Date, as the case may be, the information requirements pursuant to points (a), (b), (d), (e), (f) and (g) of the first subparagraph of article 7(1) of the EU Securitisation Regulation by making available the relevant information through the

website of European DataWarehouse (being, as at the date of this Prospectus, www.eurodw.eu) (or, in respect of post-closing information, any other securitisation repository registered pursuant to article 10 of the EU Securitisation Regulation).

As to post-closing information, the relevant parties to the Intercreditor Agreement have agreed and undertaken as follows:

(a) the Servicer shall:

(i) prepare the Loan by Loan Report setting out information relating to each Loan in respect of the immediately preceding Collection Period (including, *inter alia*, the information, if available, related to the environmental performance of the Vehicles), in compliance with point (a) of the first subparagraph of article 7(1) of the EU Securitisation Regulation and the applicable Regulatory Technical Standards, and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available the Loan by Loan Report (simultaneously with the Investors Report) to the investors in the Notes by no later than one month after each Payment Date; and

(ii) prepare the Inside Information Report and the Significant Event Report, in compliance with points (f) and (g) respectively of the first subparagraph of article 7(1) of the EU Securitisation and deliver them to the Reporting Entity in a timely manner in order for the Reporting Entity to make available the Inside Information Report and the Significant Event Report (simultaneously with the Investors Report) to the investors in the Notes by no later than one month after each Payment Date and, in any case, without undue delay following the occurrence of the relevant event triggering the delivery of such reports;

(b) the Computation Agent shall prepare the Investors Report pursuant to point (e) of the first subparagraph of article 7(1) of the EU Securitisation and the applicable Regulatory Technical Standards (including the information referred to in items (i), (ii) and (iii) of such point (e)) and deliver it to the Reporting Entity in a timely manner in order for the Reporting Entity to make available the Investors Report (simultaneously with the Loan by Loan Report) to the investors in the Notes by no later than one month after each Payment Date; and

(c) the Issuer shall deliver to the Reporting Entity (A) a copy of the final Prospectus and the other final Transaction Documents in a timely manner in order for the Reporting Entity to make available such documents to the investors in the Notes by no later than 15 (fifteen) days after the Issue Date, and (B) any other document or information that may be required to be disclosed to the investors or potential investors in the Notes pursuant to the EU Securitisation Regulation and the applicable Regulatory Technical Standards in a timely manner (to the extent not already provided by other parties),

in each case in accordance with the requirements provided by the EU Securitisation Regulation and the applicable Regulatory Technical Standards.

The first Investors Report will be available on the website of European DataWarehouse (being, as at the date of the Prospectus, www.eurodw.eu) or any other securitisation repository registered pursuant to article 10 of the EU Securitisation Regulation on or about the Investors Report Date immediately succeeding the First Payment Date. The Investors Report will be produced quarterly and will contain certain information in relation to the Notes and the Aggregate Portfolio, including details of the amounts paid in respect of the Notes, the main global statistical data regarding the Subsequent Portfolios as well as any other information required by the EU Securitisation Regulation and the applicable Regulatory Technical Standards and will be updated on a periodic basis, subject to the Computation Agent having timely received details of each amount or item of information set-out in the Cash Allocation, Management and Payment Agreement. Unless otherwise defined in this Prospectus, the specific defined terms used in each Investors Report will be contained in a glossary annexed to the relevant Investors Report.

Fees and expenses

The estimated annual fees and expenses payable by the Issuer in connection with the Securitisation amount to approximately € 20,000 (excluding the Servicing Fee and any VAT, if applicable). The estimated aggregate fees and expenses payable in relation to the listing on the Luxembourg Stock Exchange and the admission to trading on the regulated market of the Luxembourg Stock Exchange of the Senior Notes and the Mezzanine Notes amount to approximately € 25,000 (excluding VAT, if applicable).

Yield on the Notes

The yield on the Class A Notes is equal to the fixed rate of 0.15 per cent. per annum applicable in respect of the Class A Notes in accordance with the Conditions.

The yield on the Class B Notes is equal to the fixed rate of 1.25 per cent. per annum applicable in respect of the Class B Notes in accordance with the Conditions.

The yield on the Class Z Notes is equal to the Variable Return applicable in respect of the Class Z Notes in accordance with the Conditions.

Legal Entity Identifier

The Legal Entity Identifier (LEI) code of the Issuer is 549300GESLGUWWGJRM09.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the audited consolidated financial statements of the Issuer for the financial years ended 31 December 2017 and 31 December 2018, respectively, together in each case with the audit report thereon, which have been previously published or are published simultaneously with this Prospectus and which have been filed with the Luxembourg Stock Exchange. Any documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus shall not form part of this Prospectus.

Copies of documents deemed to be incorporated by reference in this Prospectus may be obtained at the following webpages:

1. Issuer's audited annual financial statements, including the auditors' report thereon, notes thereto and the relevant accounting principles in respect of the year ended on 31 December 2017, that can be obtained at the webpage: https://www.santanderconsumer.it/sites/default/files/2020-02/Financial%20Statements%20Golden%20Bar%202017%20w%20readable%20opinion.pdf; and

2. Issuer's audited annual financial statements, including the auditors' report thereon, notes thereto and the relevant accounting principles in respect of the year ended on 31 December 2018, that can be obtained at the webpage: https://www.santanderconsumer.it/sites/default/files/2020-02/Financial%20Statements%20Golden%20Bar%202018%20w%20readable%20opinion.pdf.

Copies of documents deemed to be incorporated by reference in this Prospectus will also be published on the website of the Luxembourg Stock Exchange at www.bourse.lu.

The table below sets out the relevant page references for the financial statements of the Issuer for the financial years ended 31 December 2017 and 31 December 2018, respectively, together in each case with the audit report thereon. The information incorporated by reference that is not included in the cross-reference list, is considered as additional information and is not required by the relevant schedules of Commission Regulation (EC) no. 980/2019.

Documents	**Information contained**	**Page(s)**
Financial statements as at 31 December 2017	Report on operations	3
	Balance sheet	10
	Income statement	11
	Explanatory Notes	16-74
Auditors' report	Report of the auditors on the financial statements of the Issuer as at 31 December 2017	75-83

Documents	**Information contained**	**Page(s)**
Financial statements as at 31 December 2018	Report on operations	3
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	Income statement	11
	Explanatory Notes	15-80
Auditors' report	Report of the auditors on the financial statements of the Issuer as at 31 December 2018	81-89

For avoidance of doubt, the page references of each of the financial statements as at, respectively, 31 December 2017 and 31 December 2018 are those of the relevant pdf document.

GLOSSARY OF TERMS

"**Acceptance Date**" means, during the Revolving Period and in relation to the assignment of the Subsequent Portfolios, a date falling no later than the 10th (tenth) Business Day of each Collection Period.

"**Accepted Amount**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Accepted Objection Amount**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Account**" means each of the Cash Accounts and the Eligible Investments Securities Account, and Accounts means all of them.

"**Account Bank**" means each of the Italian Account Bank and the Spanish Account Bank, and "**Account Banks**" means both of them.

"**Account Report**" means the report named as such to be prepared and delivered by the Account Banks in accordance with the Cash Allocation, Management and Payment Agreement.

"**Account Report Date**" means the 2nd (second) Business Day of each calendar month of each year, provided that the first Account Report Date will fall on the 2nd (second) Business Day of March 2020.

"**Advance**" means each of the Cash Reserve Advance, the funding of the Retention Amount and the Set-Off Reserve Advances and Advances means all of them collectively.

"**Affected Receivables**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Agent**" means each of the Paying Agents, the Computation Agent, the Account Banks and the Custodian Bank (if any) and, Agents, means all of them.

"**Aggregate Portfolio**" means, on any given date, all the Receivables comprised in the Initial Portfolio and in all the Subsequent Portfolios assigned and transferred by the Seller to the Issuer up to such date, pursuant to the Master Transfer Agreement.

"**Aggregate Portfolio Repurchase Option**" means the option, pursuant to article 1331 of the Italian civil code, granted by the Issuer to the Seller to repurchase the Aggregate Portfolio following the occurrence of the Clean-up Call Event or Tax Call Event pursuant to the terms and subject to the conditions set out in the Master Transfer Agreement.

"**Aggregate Portfolio Repurchase Option Exercise Notice**" means any notice delivered pursuant to the Master Transfer Agreement, whereby the Aggregate Portfolio Repurchase Option is exercised.

"**Aggregate Set-Off Loss**" means, in respect of each Payment Date, the aggregate amounts (if any) not being collected or recovered and paid into the Collection Account (or if collected/recovered and paid into such account subsequently clawed-back) in respect of the Receivables comprised in the

Aggregate Portfolio during the Collection Period immediately preceding the relevant Payment Date, in each case, as a consequence of the proper and legal exercise of any right of set-off (*eccezione di compensazione*) by any Borrower and/or insolvency receiver of any Borrower (including, for the avoidance of doubt, any right of refund of the unearned financed insurance premium from the Issuer upon default of any Insurance Company).

"**AIFM Regulation**" means the Regulation (EU) no. 231/2013 adopted on 19 December 2012 by the European Commission, as amended and/or supplemented from time to time.

"**Allocated Amount**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Amortisation Period**" means the period commencing on (and including) the Payment Date immediately following the end of the Revolving Period and ending on (and including) the Cancellation Date.

"**Arranger**" means Banco Santander.

"**Average Recovery Rate**" means 50.00 per cent.

"**Back-up Servicer**" means the entity appointed as back-up servicer pursuant to the terms and conditions of the Servicing Agreement.

"**Back-up Servicer Facilitator**" means Santander Consumer Finance or any other entity acting as back-up servicer facilitator under the Securitisation from time to time.

"**Back-up Servicing Agreement**" means the back-up servicing agreement which may be entered into on or between the Issuer, the Servicer and the Back-up Servicer in accordance with the provisions of the Servicing Agreement.

"**Banco Santander**" means Banco Santander S.A., a banking entity incorporated under the laws of Spain, registered with the Banco de España (Bank of Spain) under no. 0049, having its registered offices at Paseo de Pereda 9-12, Santander, Spain and Tax Identification Code A-39000013.

"**Basic Terms Modification**" has the meaning ascribed to such term in the Rules of the Organisation of Noteholders.

"**Borrower**" means any Debtor and/or Dealer, this latter for the payment of the Balloon Instalment to the Seller upon exercise of the relevant contractual option by the Debtor pursuant to the relevant VFG Balloon Auto Loan Agreement.

"**Business Day**" means any day on which the Trans-European Automated Real Time Gross Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007 (TARGET2), or any successor thereto, is open and on which banks are open for business in Luxembourg, Milan, London, Turin and Madrid.

"**Calculation Amount**" means € 1,000 in Principal Amount Outstanding upon issue.

"**Calculation Date**" means the 5th (fifth) Business Day prior to each Payment Date.

"**Cancellation Date**" means the earlier of:

(i) the date on which the Notes have been redeemed in full;

(ii) the Final Maturity Date; and

(iii) the date on which the Servicer gives notice to the Issuer and the Noteholders that it has determined that there is no reasonable likelihood of there being any further amounts to be realised in respect of the Aggregate Portfolio or the Note Security (whether arising from an enforcement of the Note Security or otherwise) being available to the Issuer or, if any Noteholder objects such Servicer's determination for reasonably grounded reasons within 30 (thirty) days from notice thereof, the date on which such determination in respect thereof is made by an independent third party in accordance with Condition 9.2(iii).

"**Cash Account**" means each of the Cash Reserve Account, the Collection Account, the Payments Account, the Set-Off Reserve Account (if any) and the Expenses Account, and Cash Accounts means all of them.

"**Cash Allocation, Management and Payment Agreement**" means the cash allocation, management and payment agreement entered into on or about the Issue Date between the Account Banks, the Computation Agent, the Issuer, the Paying Agents, the Representative of the Noteholders, the Corporate Services Provider, the Seller and the Servicer, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Cash Reserve**" means the funds standing from time to time to the credit of the Cash Reserve Account (including any Eligible Investments made with such funds).

"**Cash Reserve Account**" means the euro denominated account established in the name of the Issuer with the Spanish Account Bank with no. ES17 0049 1500 0020 1934 6150 , or such other substitute account as may be opened in accordance with the Cash Allocation, Management and Payment Agreement.

"**Challenge Notice**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Challenge Period**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Claimed Amount**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Class**" shall be a reference to a class of Notes, being the Class A Notes, the Class B Notes or the Class Z Notes, and Classes shall be construed accordingly.

"**Class A Noteholder**" means any Holder of a Class A Note, and Class A Noteholders means all of them.

"**Class A Notes**" (or "**Senior Notes**") means the € 629,000,000 Class A-2020-1 Asset-Backed Fixed Rate Notes due September 2044.

"**Class A Principal Deficiency Sub-Ledger**" means the sub-ledger of the Principal Deficiency Ledger relating to the Class A Notes.

"**Class A Rate of Interest**" has the meaning ascribed to such term in Condition 7.3 (*Interest - Rate of Interest of the Senior Notes and the Mezzanine Notes*).

"**Class B Noteholder**" means the Holder of a Class B Note, and Class B Noteholders means all of them.

"**Class B Notes**" means the € 50,000,000 Class B-2020-1 Asset-Backed Fixed Rate Notes due September 2044.

"**Class B Principal Deficiency Sub-Ledger**" means the sub-ledger of the Principal Deficiency Ledger relating to the Class B Notes.

"**Class B Rate of Interest**" has the meaning ascribed to such term in Condition 7.3 (*Interest – Rate of Interest of the Senior Notes and the Mezzanine Notes*).

"**Class Z Noteholder**" means the Holder of a Class Z Note, and Class Z Noteholders means all of them.

"**Class Z Notes**" means the € 67,498,000 Class Z-2020-1 Asset-Backed Variable Return Notes due September 2044.

"**Class Z Principal Deficiency Sub-Ledger**" means the sub-ledger of the Principal Deficiency Ledger relating to the Class Z Notes.

"**Clean-up Call Event**" means the circumstance that the aggregate Outstanding Principal of the Receivables comprised in the Aggregate Portfolio being equal to, or lower than, 10 (ten) per cent. of the aggregate Outstanding Principal of the Receivables comprised in the Initial Portfolio as at the relevant Valuation Date.

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

"**Collateral Aggregate Portfolio**" means, on any given date, the aggregate of all Receivables comprised in the Aggregate Portfolio, other than any Defaulted Receivables.

"**Collateral Ratio**" means, with reference to each Collection End Date during the Revolving Period, the ratio expressed as a percentage between (i) the aggregate Outstanding Principal of all the Receivables comprised in the Collateral Aggregate Portfolio, calculated taking into account also the Receivables comprised in the relevant Subsequent Portfolio to be purchased by the Issuer on the immediately following Transfer Date, plus any balance standing to the credit of the Collection Account, the Cash Reserve Account and the Expenses Account and (ii) the Principal Amount Outstanding of the Notes.

"**Collateral Ratio Threshold**" means 97.00 per cent.

"**Collateral Security**" means, with reference to each Receivable, any security interest, guarantee or other arrangement securing the payment of the Receivables.

"**Collection Account**" means the euro denominated account established in the name of the Issuer with the Spanish Account Bank with no. ES38 0049 1500 0328 1934 6141, or such other substitute account as may be opened in accordance with the Cash Allocation, Management and Payment Agreement.

"**Collection End Date**" means the last calendar day of each of February, May, August and November of each year.

"**Collection Period**" means (i) prior to the delivery of a Trigger Notice, each period commencing on (but excluding) a Collection End Date and ending on (and including) the immediately following Collection End Date, provided that the first Collection Period will commence on (and excluding) the Valuation Date of the Initial Portfolio and will end on (and including) the Collection End Date falling in May 2020, or (ii) following the delivery of a Trigger Notice, any such period as determined by the Representative of the Noteholders.

"**Collections**" means any monies from time to time paid, as of (but excluding) the relevant Valuation Date, in respect of the Consumer Loans and the related Receivables.

"**Computation Agent**" means CITIBANK N.A., LONDON BRANCH or any other entity acting as computation agent under the Securitisation from time to time.

"**Condition**" means a condition of the Terms and Conditions.

"**CONSOB**" means Commissione Nazionale per le Società e la Borsa.

"**CONSOB Resolution no. 11768**" means CONSOB Resolution no. 11768 of 23 December 1998, as amended by CONSOB Resolutions no. 12497 of 20 April 2000 and no. 13085 of 18 April 2001, as subsequently amended and supplemented from time to time.

"**CONSOB Resolution no. 20307**" means CONSOB Resolution no. 20307 of 15 February 2018, as subsequently amended and supplemented from time to time.

"**Consolidated Banking Act**" means legislative decree no. 385 of 1 September 1993, as amended and/or supplemented from time to time.

"**Consumer Loans**" means the consumer loans and the personal credit facilities granted by the Seller pursuant to the Consumer Loan Agreements, from which the Receivables arise, and Loan means any of them.

"**Consumer Loan Agreements**" means the consumer loan agreements executed between Santander Consumer Bank and the Debtor, pursuant to which the Consumer Loans are advanced and out of which the Receivables arise, including, for avoidance of doubt, any VFG Balloon Auto Loan Agreement and Consumer Loan Agreement means all any of them.

"**Contested Objection Amount**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Corporate Services**" means the services which the Corporate Services Provider will provide to the Issuer pursuant to the Corporate Services Agreement.

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

"**Corporate Services Provider**" means Bourlot Gilardi Romagnoli e Associati or any other entity acting as corporate services provider under the Securitisation from time to time.

"**CRA Regulation**" means Regulation (UE) no. 1060/2009, as amended and/or supplemented from time to time.

"**Credit and Collection Policies**" means the procedures for the management, collection and recovery of the Receivables attached to the Servicing Agreement.

"**CRR**" means Regulation (EU) no. 575/2013, as amended and/or supplemented from time to time.

"**CRR Amendment Regulation**" means Regulation (EU) no. 2401 of 12 December 2017 amending Regulation (EU) no. 575 of 26 June 2013 on prudential requirements for credit institutions and investment firms.

"**CSSF**" means *Commission de Surveillance du secteur financier*.

"**Cumulative Loss Ratio**" means, with reference to each Collection End Date immediately preceding any Payment Date, the ratio (as outlined in each relevant Servicer Report) expressed as a percentage between:

(a) the sum of the Outstanding Principal of the Defaulted Receivables during the period from the Initial Transfer Date until such Collection End Date reduced by the amount of the Recoveries received in respect of the Defaulted Receivables during such period; and

(b) the aggregate Outstanding Principal, as at the relevant Transfer Date, of all Receivables comprised in the Aggregate Portfolio.

"**Custodian Bank**" means the Eligible Institution to be appointed as custodian bank pursuant to the Cash Allocation, Management and Payment Agreement from time to time.

"**Date of Receipt**" has the meaning ascribed to such term in the Servicing Agreement.

"**DBRS**" means any entity that is part of DBRS and any successor to the relevant rating activity.

"**DBRS Equivalent Rating**" means:

means the DBRS rating equivalent of any of the below ratings by Fitch Ratings Limited (Fitch), Moody's Investors Service Inc. (Moody's) or by S&P Global Ratings Europe Limited (S&P):

DBRS	Moody's	S&P	Fitch
AAA	Aaa	AAA	AAA
AA(high)	Aa1	AA+	AA+
AA	Aa2	AA	AA
AA(low)	Aa3	AA-	AA-
A(high)	A1	A+	A+
A	A2	A	A

A(low)	A3	A-	A-
BBB(high)	Baa1	BBB+	BBB+
BBB	Baa2	BBB	BBB
BBB(low)	Baa3	BBB-	BBB-
BB(high)	Ba1	BB+	BB+
BB	Ba2	BB	BB
BB(low)	Ba3	BB-	BB-
B(high)	B1	B+	B+
B	B2	B	B
B(low)	B3	B-	B-
CCC(high)	Caa1	CCC+	CCC+
CCC	Caa2	CCC	CCC
CCC(low)	Caa3	CCC-	CCC-
CC	Ca	CC	CC
C	C	D	D

"**DBRS Minimum Rating**" means:

(a) if a Fitch public long term rating, a Moody's public long term rating and a S&P long term rating in respect of the Eligible Investment or the Eligible Institution, as the case may be (each, a Public Long Term Rating) are all available at such date, the DBRS Minimum Rating will be the DBRS Equivalent Rating of such public long term rating remaining after disregarding the highest and lowest of such Public Long Term Ratings from such rating agencies (provided that if such Public Long Term Rating is under credit watch negative, or the equivalent, then the DBRS Equivalent Rating will be considered one notch below) (for this purpose, if more than one Public Long Term Rating has the same highest DBRS Equivalent Rating or the same lowest DBRS Equivalent Rating, then in each case one of such Public Long Term Ratings shall be so disregarded);

(b) if the DBRS Minimum Rating cannot be determined under paragraph (a), but Public Long Term Ratings by any two of Fitch, Moody's and S&P are available at such date, the DBRS Equivalent Rating of the lower such Public Long Term Rating (provided that if such Public Long Term Rating is under credit watch negative, or the equivalent, then the DBRS Equivalent Rating will be considered one notch below); and

(c) if the DBRS Minimum Rating cannot be determined under paragraphs (a) and (b), but Public Long Term Ratings by any one of Fitch, Moody's and S&P are available at such date, then the DBRS Equivalent Rating will be such Public Long Term Rating (provided that if such Public Long Term Rating is under credit watch negative, or the equivalent, then the DBRS Equivalent Rating will be considered one notch below).

If at any time the DBRS Minimum Rating cannot be determined under paragraphs (a) to (c), then a DBRS Minimum Rating of "C" shall apply at such time.

"**Dealer**" means, in relation to any Consumer Loan, a conventioned dealer (*esercizio convenzionato*).

"**Debtor**" means each entity and/or the person who has entered into a Consumer Loan Agreement with the Seller from which a Receivable arises.

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

"**Decree 213**" means Italian Legislative Decree no. 213 of 24 June 1998, as amended and/or supplemented from time to time.

"**Decree 7**" means Italian Law Decree no. 7 of 31 January 2007, converted into law no. 40 of 2 April 2007, as amended and/or supplemented from time to time.

"**Decree 91**" means Italian Law Decree no. 91 of 11 August 2014, converted into law no. 116 of 11 August 2014, as amended and/or supplemented from time to time.

"**Decree 93**" means Italian Law Decree no. 93 of 27 May 2008, as amended and/or supplemented from time to time.

"**Decree 145**" means Law Decree of 23 December 2013 no. 145 converted into law by Law no. 9 of 21 February 2014, as amended and/or supplemented from time to time.

"**Decree 239**" means Italian Legislative Decree no. 239 of 1 April 1996, as amended and/or supplemented from time to time and any related regulations.

"**Decree 350**" means Italian Law Decree no. 350 of 25 September 2001, converted into law with amendments by Law no. 409 of 23 November 2001, as amended and/or supplemented from time to time.

"**Decree 351**" means Italian Law Decree no. 351 of 25 September 2001, as amended and/or supplemented from time to time.

"**Decree 435**" means Italian Legislative Decree no. 435 of 21 November 1997, as amended and/or supplemented from time to time.

"**Default Date**" means the date on which a Receivable becomes a Defaulted Receivable.

"**Defaulted Amounts**" means, with reference to any Collection End Date, the aggregate Outstanding Principal of any Receivable that has become a Defaulted Receivable during the Collection Period ending on such Collection End Date, such amount being calculated as at the date that such Receivable became a Defaulted Receivable.

"**Defaulted Receivables**" means any Receivables arising from the Consumer Loans in respect of which (i) there are one or more instalments that are 90 (ninety) days overdue; or (ii) following the relevant final maturity date, there is at least one instalment which is 90 (ninety) days overdue or more; or (iii) the relevant Borrower has been subject to acceleration (*decadenza dal beneficio del termine*); or (iv) the Servicer, in accordance with the Credit and Collection Policies, considers that the relevant Borrower is unlikely to pay the instalments under the Consumer Loans as they fall due.

"**Delinquency Ratio**" means, with reference to each Collection End Date during the Revolving Period, the ratio expressed as a percentage between (i) the aggregate Outstanding Principal of all the Receivables comprised in the Aggregate Portfolio which are Delinquent Receivables as at the last day of the relevant Collection Period, and (ii) the aggregate Outstanding Principal of all the Receivables comprised in the Collateral Aggregate Portfolio, calculated taking into account also the Receivables comprised in the relevant Subsequent Portfolio to be purchased by the Issuer on the immediately following Transfer Date.

"**Delinquency Ratio Threshold**" means 5.00 per cent.

"**Delinquent Receivables**" means the Receivables which have not yet become Defaulted Receivables and which arise from Consumer Loans under which there are one or more consecutive or non-consecutive Unpaid Instalments, and Delinquent Receivable means any of such Delinquent Receivables.

"**Disposal**" has the meaning ascribed to such term in the Servicing Agreement.

"**Documents**" means all documents relating to the Receivables comprised in the Aggregate Portfolio.

"**Documentation**" has the meaning ascribed to such term in the Servicing Agreement.

"**Dodd-Frank Act**" means the Dodd-Frank Wall Street Reform and Consumer Protection Act enacted as a United States federal law in 2010, as from time to time amended and supplemented.

"**Early Redemption Date**" means the date of early redemption of the Notes pursuant to Condition 8.3 (*Optional redemption for clean-up call*), Condition 8.4 (*Optional Redemption – Time Call Option*) or Condition 8.5 (*Optional redemption for taxation reasons*).

"**Eligibility Criteria**" means the eligibility criteria of each Receivable included in the Initial Portfolio and the Subsequent Portfolios listed in schedule 1 to the Master Transfer Agreement.

"**Eligible Institution**" means a depository institution organised under the laws of any state which is a member of the European Union or of the United States, whose unsecured and unsubordinated debt obligations have the following ratings:

(i) with respect to DBRS:

(A) a long-term public or private rating at least equal to "BBB (high)"; or

(B) in the absence of a public or private rating by DBRS, a DBRS Minimum Rating of "BBB (high)"; or

(C) such other rating as may from time to time comply with DBRS' criteria; and

(ii) with respect to Fitch, at least "F2" by Fitch as a short-term senior debt rating or "BBB" by Fitch as a long-term senior debt rating.

"**Eligible Investment Maturity Date**" means, with reference to each Eligible Investment, the earlier of (a) the maturity date of such Eligible Investment, and (b) the day falling 4 (four) Business Days prior to each Payment Date.

"**Eligible Investments**" means:

(a) Euro denominated senior (unsubordinated) debt securities or other debt instruments denominated in Euro having:

(i) if such investments have a maturity which is equal to or less than 30 calendar days:

(A) a long term rating of at least "A" by DBRS or a short-term rating of at least "R- 1 (low)" by DBRS; and

(B) a short term issuer default rating of at least "F2" by Fitch or a long term issuer default rating of at least "BBB" by Fitch; or

(ii) if such investments have a maturity which is longer than 30 calendar days:

(A) a long-term rating of at least "AA (low)"by DBRS or a short-term rating of at least "R-1 (middle)" by DBRS; and

(B) a long-term rating of at least "AA-" by Fitch or a short-term rating of "F1+" by Fitch,

provided that such investments (A) are in dematerialised form; (B) provide a fixed principal amount at maturity (such amount not being lower than the initially invested amount) or, in case early disposal or liquidation, the principal amount upon disposal or liquidation is at least equal to the principal amount invested; (C) in case of downgrading below the rating levels set out above, shall be liquidated within ten days (unless a loss would result from the liquidation, in which case they shall be allowed to mature) and (D) have a maturity date not exceeding the immediately following Eligible Investment Maturity Date; or

(b) Euro denominated bank accounts or deposits (including, for the avoidance of doubt, time deposits) opened with an Eligible Institution provided that such investments (i) are immediately repayable on demand, disposable without any penalty or any loss and have a maturity date falling no later than the immediately following Eligible Investment Maturity Date; (ii) provide a fixed principal amount at maturity (such amount not being lower than the initially invested amount) or, in case early disposal or liquidation, the principal amount upon disposal or liquidation is at least equal to the principal amount invested; (iii) shall be transferred, within 30 (thirty) calendar days from the date on which the institution ceases to be an Eligible Institution, to another Eligible Institution at no cost for the Issuer; and (iv) the deposits shall be in Euro; or

(c) Euro denominated money market funds which permit daily liquidation of investments and which are rated (i) "AAA" by DBRS or in the absence of a public or private rating by DBRS the DBRS Equivalent Rating of "AAA"; and (ii) "AAAmmf" by Fitch, are redeemable to a principal amount at maturity equal to the principal amount originally invested, with a maturity date not exceeding the immediately following Eligible Investment Maturity Date,

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

"**Eligible Investment Maturity Date**" means, with reference to each Eligible Investment, the earlier of (a) the maturity date of such Eligible Investment, and (b) the day falling 4 (four) Business Days prior to each Payment Date.

"**Eligible Investments Securities Account**" means the securities account established in the name of the Issuer with an Eligible Institution into which the bonds, debentures or other kinds of notes or financial instruments purchased with monies standing to the credit of the Investment Accounts shall be deposited, in accordance with the Cash Allocation, Management and Payment Agreement.

"**Eligible Investments Securities Account Report**" means the periodic report (i) to be prepared in accordance with the Cash Allocation, Management and Payment Agreement by the Custodian Bank (if appointed), (ii) setting out certain information in relation to the Eligible Investments Securities Account (if opened), and (iii) to be delivered on or prior to each Account Report Date to, inter alios, the Issuer, the Representative of the Noteholders, the Servicer, the Corporate Services Provider and the Computation Agent.

"**EMU**" means the European Economic and Monetary Union introduced pursuant to the Treaty establishing the European Communities, as amended by the Treaty on European Union.

"**ESMA**" means European Securities and Markets Authority.

"**EU Insolvency Regulation**" means Regulation (EU) no. 848 of 20 May 2015 on insolvency proceedings, as amended and/or supplemented from time to time.

"**EU Securitisation Regulation**" means Regulation (EU) no. 2402 of 12 December 2017, as amended and/or supplemented from time to time.

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

"**Euroclear**" means Euroclear Bank S.A./N.V., with registered office at 1 Boulevard du Roi Albert II, B - 1210 Brussels, as operator of the Euroclear System.

"**Euro-Zone**" means the region comprised of Member States of the European Union that adopted the single currency in accordance with the Treaty establishing the European Community (signed in Rome on 25 March 1957) as amended by the Treaty on European Union (signed in Maastricht on 7 February 1992).

"**Expenses**" means any documented fees, costs, expenses and taxes required to be paid by the Issuer

to any third party creditors (other than the Noteholders and the Other Issuer Creditors) arising in connection with the Transaction (including, without limitation, all costs and taxes required to be paid to maintain the listing and rating of the Rated Notes and in connection with the deposit of the Notes, or any notice to be given to the Noteholders or the other parties to the Transaction Documents), and any other documented costs, expenses and taxes required to be paid in order to preserve the existence of the Issuer or to maintain it in good standing, or to comply with applicable laws and regulations.

"**Expenses Account**" means the euro denominated account established in the name of the Issuer with the Italian Account Bank, with IBAN no. IT26S0356601600000125980031 , or such other substitute account opened in accordance with the Cash Allocation, Management and Payment Agreement.

"**Expert**" has the meaning ascribed to such term in the Servicing Agreement.

"**Extraordinary Resolution**" means a resolution passed at a Meeting of the relevant Noteholders, duly convened and held in accordance with the provisions contained in the Rules of the Organisation of the Noteholders to resolve on the objects set out therein.

"**Final Determined Amount**" means:

(i) in relation to any Receivables (other than the Defaulted Receivables), the Outstanding Principal of such Receivable at the immediately preceding Collection End Date together with the interest accrued but unpaid on such Outstanding Principal up to (but excluding) the same date; or

(ii) in relation to any Defaulted Receivable (whether or not written off by, or on behalf of, the Issuer) on the date of the relevant Individual Receivables Repurchase Option, the Outstanding Principal multiplied by the Average Recovery Rate.

"**Final Maturity Date**" means the Payment Date falling in September 2044.

"**Final Repurchase Price**" means the repurchase price of the Aggregate Portfolio which shall be equal to the sum of:

(a) the aggregate Outstanding Principal of the Receivables comprised in the Aggregate Portfolio (excluding any Defaulted Receivable) as at the immediately preceding Collection End Date; *plus*

(b) for any Defaulted Receivables, the aggregate Final Determined Amount as at the immediately preceding Collection End Date; *plus*

(c) any interest on the repurchased Receivables (other than Defaulted Receivables and Delinquent Receivable) accrued until, and outstanding on the immediately preceding Collection End Date.

"**Financial Laws Consolidated Act**" means the Italian Legislative Decree no. 58 of 24 February 1998, as amended and/or supplemented from time to time.

"**First Payment Date**" means the Payment Date falling in June 2020.

"**Fitch**" means FITCH ITALIA – Società Italiana per Il Rating S.p.A.

"**FITD**" means the "Fondo Interbancario di Tutela dei Depositi", having its offices at via del Plebiscito 102, Rome and VAT no. 01951041001.

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

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

"**GDPR**" means Regulation (UE) no. 679/2016, as amended and/or supplemented from time to time.

"**Guarantor**" means any person or entity who has granted a Collateral Security.

"**Holder**" means the beneficial owner of a Note.

"**Individual Purchase Price**" means the purchase price of the Receivables relating to each Consumer Loan, purchased by the Issuer pursuant to the Master Transfer Agreement.

"**Individual Receivables Repurchase Option**" means the option, pursuant to article 1331 of the Italian civil code, granted by the Issuer to the Seller to repurchase individual Receivables comprised in the Aggregate Portfolio pursuant to the terms and subject to the conditions set out in the Master Transfer Agreement.

"**Individual Receivables Repurchase Option Exercise Notice**" means any notice delivered pursuant to the Master Transfer Agreement, whereby the Individual Receivables Repurchase Option is exercised.

"**Initial Interest Period**" means the first Interest Period, that shall begin on (and including) the Issue Date and end on (but excluding) the First Payment Date.

"**Initial Portfolio**" means the first portfolio of Receivables assigned and transferred by the Seller to the Issuer on the Initial Transfer Date, pursuant to the Master Transfer Agreement.

"**Initial Subscriber**" means Santander Consumer Bank, in its capacity as initial subscriber of the Notes under the Subscription Agreement and any of its permitted successors and assignees.

"**Initial Transfer Date**" means 27 January 2020.

"**Initial Valuation Date**" means 23:59 of 23 January 2020.

"**Inside Information Report**" means the report named as such to be prepared and delivered, by the Servicer in accordance with the Servicing Agreement.

"**Insolvency Event**" means in respect of any company or corporation that:

(a) such company or corporation has become subject to any applicable bankruptcy, liquidation, administration, insolvency, composition or reorganisation (including, without limitation, "*fallimento*", "*liquidazione coatta amministrativa*", "*concordato preventivo*", "*amministrazione straordinaria*" and "*provvedimenti di risanamento o risoluzione*", each such expression bearing the meaning ascribed to it by the laws of the Republic of Italy, and including also any equivalent or analogous proceedings under the law of any jurisdiction in which such company or corporation is deemed to carry on business including the seeking

of liquidation, winding-up, reorganisation, dissolution, administration) or similar proceedings or the whole or any substantial part of the undertaking or assets of such company or corporation are subject to a *pignoramento* or similar procedure having a similar effect (other than in the case of the Issuer, any portfolio of assets purchased by the Issuer for the purposes of further securitisation transactions), unless in the opinion of the Representative of the Noteholders, such proceedings are being disputed in good faith with a reasonable prospect of success; or

(b) an application for the commencement of any of the proceedings under paragraph (a) is made in respect of or by such company or corporation or such proceedings are otherwise initiated against such company or corporation and, in the opinion of the Representative of the Noteholders, the commencement of such proceedings are not being disputed in good faith with a reasonable prospect of success; or

(c) such company or corporation takes any action for a re-adjustment of deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors (other than, in the case of the Issuer, the Other Issuer Creditors) or is granted by a competent court a moratorium in respect of any of its indebtedness or any guarantee of any indebtedness given by it or applies for suspension of payments; or

(d) an order is made or an effective resolution is passed for the winding-up, liquidation or dissolution in any form of such company or corporation (expect a winding-up for the purposes of or pursuant to a solvent amalgamation or reconstruction, the terms of which have been previously approved in writing by the Representative of the Noteholders) or any of the events under Article 2484 of the Italian Civil Code occurs with respect to such company or corporation.

"**Insolvency Proceeding**" means bankruptcy (*fallimento*) or any other insolvency (*procedura concorsuale*) in Italy or analogous proceedings in any jurisdiction (as the case may be), including, but not limited to, any reorganisation measure (*procedura di risanamento*) or winding-up proceedings (*procedura di liquidazione*), of any nature, court settlement with creditors in pre-bankruptcy proceedings (*concordato preventivo*), out-of-court settlements with creditors (*accordi di ristrutturazione dei debiti* and *piani di risanamento*), extraordinary administration (*amministrazione straordinaria*, including *amministrazione straordinaria delle grandi imprese in stato di insolvenza*), compulsory administrative liquidation (*liquidazione coatta amministrativa*), any recovery or resolution proceeding (*provvedimento di risanamento o risoluzione*) or similar proceedings in other jurisdictions.

"**Instalment**" means each instalment that is due under a Consumer Loan and which consists of an Interest Component (if any) and a Principal Component and that, with reference to the VFG Balloon Auto Loan Agreements and to any other Consumer Loan Agreement that is granted to the Debtor for the purchase of the relevant Vehicle, includes also the Balloon Instalment.

"**Insurance Company**" means each insurance company which has issued an Insurance Policy.

"**Insurance Policy**" means any insurance policy relating or connected to a Consumer Loan Agreement, and Insurance Policies means all of them.

"**Intercreditor Agreement**" means the intercreditor agreement entered into on or about the Issue Date between the Issuer, the Quotaholders and the Other Issuer Creditors, as from time to time modified in accordance with the provisions therein contained and including any agreement or other

document expressed to be supplemental thereto.

"**Interest Accrual**" means, in respect of the Receivables comprised in each Portfolio, the amount of interest accrued but unpaid up to (but excluding) the relevant Valuation Date.

"**Interest Amount**" means, in respect of the Notes, the amount of interest accrued during the relevant Interest Period in respect of the relevant Class as determined in accordance with Condition 7 (*Interest*).

"**Interest Amount Arrears**" means any portion of the relevant Interest Amount for the Notes of any Class which remains unpaid on any Payment Date.

"**Interest Available Funds**" means, in respect in respect of any Payment Date, the aggregate of the following amounts (without double counting):

(a) the Interest Components received by the Issuer in respect of the Receivables comprised in the Aggregate Portfolio during the immediately preceding Collection Period;

(b) the available Revenue Eligible Investments Amount deriving from the Eligible Investments (if any) made using funds from the Collection Account, the Cash Reserve Account and the Set-Off Reserve Account (if opened), following liquidation thereof on the immediately preceding Eligible Investments Maturity Date;

(c) except on (i) the Final Maturity Date, (ii) the Payment Date on which there will be sufficient Issuer Available Funds (including the Cash Reserve) to redeem in full the Rated Notes, and (iii) the Payment Date following the delivery of a Trigger Notice, the Cash Reserve as at the immediately preceding Payment Date after making payments due under the Pre-Trigger Interest Priority of Payments on that date (or, in respect of the First Payment Date, the Cash Reserve as at the Issue Date);

(d) the available proceeds, other than the Revenue Eligible Investments Amount, deriving from the Eligible Investments (if any) made using funds from the Cash Reserve Account, following liquidation thereof on the immediately preceding Eligible Investments Maturity Date;

(e) all amounts of positive interest accrued and paid on the Accounts (other than the Expenses Account) during the immediately preceding Collection Period (net of any applicable withholding or expenses);

(f) payments made to the Issuer by any other party to the Transaction Documents during the immediately preceding Collection Period, excluding those amounts constituting Principal Available Funds;

(g) the interest component of the purchase price received by the Issuer in relation to the sale of any Receivables (other than Defaulted Receivables) made in accordance with the Master Transfer Agreement and the Warranty and Indemnity Agreement during the immediately preceding Collection Period;

(h) any Recoveries (including any purchase price received in relation to the sale of any Defaulted Receivables) received by the Issuer in respect of any Defaulted Receivable during the Collection Period immediately preceding such Calculation Date;

(i) any other amount standing to the credit of the Collection Account as at the end of the Collection Period immediately preceding the relevant Calculation Date, but excluding those amounts constituting Principal Available Funds; and

(j) any Principal Available Funds to be allocated in or towards provision of the Interest Available Funds on such Payment Date in accordance with the Pre-Trigger Principal Priority of Payments.

"**Interest Component**" means the interest component of each Instalment (including commissions for SEPA direct debit payments (SEPA), collection commissions for postal payments and Prepayment Fees) and any other amount which is not a Principal Component.

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

"**Interest Payment Amount**" has the meaning ascribed to such term in Condition 7.5 (*Determination of Interest Payments Amount and Variable Return*).

"**Interest Period**" means each period beginning on (and including) a Payment Date and ending on (but excluding) the immediately following Payment Date, provided that the first Interest Period will commence on (and include) the Issue Date and end on (but exclude) the Payment Date falling in June 2020.

"**Investment Accounts**" means each of the Collection Account, the Cash Reserve Account and the Set-Off Reserve Account (if opened).

"**Investors Report**" means the report named as such to be prepared and delivered by the Computation Agent in accordance with the Cash Allocation, Management and Payment Agreement. Such Investor Report will be made freely available into the Computation Agent's website.

"**Investors Report Date**" means the 3rd (third) Business Day prior to each Payment Date.

"**IRAP**" means the regional tax on productive activities governed by Legislative Decree no. 446 of 15 December 1997.

"**IRES**" means *imposta sul reddito delle società* governed by Presidential Decree no. 917 of 22 December 1986 and applied on the corporate taxable income.

"**Issue Date**" means 27 February 2020.

"**Issue Price**" means 100 per cent.

"**Issuer**" means Golden Bar (Securitisation) S.r.l., a limited liability company (*società a responsabilità limitata*) incorporated under the laws of the Republic of Italy, having its registered office at Via Principe Amedeo, 11 10123 Turin, Italy, fiscal code and enrolment with the companies' register of Turin Milan no. 13232920150, quota capital of Euro 10,000 fully paid-up, enrolled with the register of the special purpose vehicles held by the Bank of Italy pursuant to the Bank of Italy's regulation dated 7 June 2017 under no. 32474.9.

"**Issuer Available Funds**" means, in relation to each Payment Date, the aggregate of all:

(a) Interest Available Funds; and

(b) Principal Available Funds.

"**Issuer's Rights**" means the Issuer's right, title and interest in and to the Receivables, any rights that the Issuer has acquired under the Transaction Documents and any other rights that the Issuer has acquired against the Seller, any Other Issuer Creditors (including any applicable guarantors or successors) or third parties for the benefit of the Noteholders in connection with this Securitisation.

"**Italian Account Bank**" means CITIBANK N.A., MILAN BRANCH or any other entity, being an Eligible Institution, acting as Italian account bank under the Securitisation from time to time.

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

"**Junior Noteholder**" means the Holder of a Junior Note and Junior Noteholders means all of them.

"**Junior Notes**" means the Class Z Notes and Junior Note means any of them.

"**Law 52**" means Law 21 February 1991, no. 52 as amended and/or supplemented from time to time.

"**Law 132**" means Law no. 132 of 6 August 2015, as amended and/or supplemented from time to time.

"**Law 383**" means Law no. 383 of 18 October 2001, as amended and/or supplemented form time to time.

"**Liquidation Date**" means the date falling one Business Day before each Calculation Date.

"**List of Receivables**" means (i) in relation to the Initial Portfolio, the list of Receivables comprised in the Initial Portfolio attached as schedule 6 to the Master Transfer Agreement and (ii) in relation to each Subsequent Portfolio, the list of Receivables comprised in the relevant Subsequent Portfolio attached as annex A to the relevant Transfer Agreement.

"**Loan by Loan Report**" means the report named as such to be prepared and delivered by the Servicer in accordance with the Servicing Agreement.

"**Local Paying Agent**" means CITIBANK N.A., MILAN BRANCH or any other entity acting as paying agent under the Securitisation from time to time.

"**Luxembourg Act**" means the Luxembourg Act dated 16 July 2019 relating to prospectuses for securities.

"**Luxembourg Stock Exchange**" means the stock exchange based in Luxembourg City at 35A boulevard Joseph II.

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

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

the Issue Date between all the parties to each of the Transaction Documents, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Master Transfer Agreement**" means the Master Transfer Agreement entered into on 27 January 2020 between the Issuer and the Seller, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Material Obligation**" has the meaning ascribed to such term in the Servicing Agreement.

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

"**Mezzanine Noteholder**" means the Holder of a Mezzanine Note and Mezzanine Noteholders means all of them.

"**Mezzanine Notes**" means the Class B Notes and Mezzanine Note means any of them.

"**Monte Titoli**" means Monte Titoli S.p.A., with registered office at Piazza degli Affari no. 6, 20123 Milan, Italy.

"**Monte Titoli Account Holders**" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli including any depository banks appointed by Euroclear and Clearstream.

"**Monte Titoli Mandate Agreement**" means the agreement entered into between the Issuer and Monte Titoli, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

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

"**Most Senior Class of Notes**" means, on any given date, without prejudice to any applicable Priority of Payments:

(a) the Class A Notes (for so long as there are Class A Notes outstanding); or

(b) if no Class A Notes are then longer outstanding, the Class B Notes (for so long as there are Class B Notes outstanding); or

(c) if no Class A Notes or Class B Notes are then longer outstanding, the Class Z Notes (for so long as there are Class Z Notes outstanding).

"**Negative Event**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Net Exposure**" means, on any given date: (a) with respect to any Consumer Loan whose Debtor has in place with the Seller one or more deposits, an amount equal to the lower of (i) the Outstanding Principal of such Consumer Loan as of such date and (ii) the aggregate amount of all such deposits as of such date, less with reference only to any deposit benefitting from the guarantee of the FITD, the relevant guaranteed amount; and (b) with respect to any Portfolio and the Aggregate Portfolio,

the aggregate of the Net Exposure under letter (a) above as of such date of all the outstanding Consumer Loans comprised in the relevant Portfolio and the Aggregate Portfolio, respectively.

"**Non-Compliance Notice**" has the meaning ascribed to such term in the Master Transfer Agreement.

"**Non-Compliant Receivable**" has the meaning ascribed to such term in the Master Transfer Agreement.

"**Non-Eligibility Notice**" has the meaning ascribed to such term in the Master Transfer Agreement.

"**Non-Eligible Receivable**" has the meaning ascribed to such term in the Master Transfer Agreement.

"**Noteholders**" means the Holders of the Senior Notes, the Mezzanine Notes and the Junior Notes, collectively, and Noteholder means any of them.

"**Notes**" means the Senior Notes, the Mezzanine Notes and the Junior Notes, collectively, and "**Note**" means any of them.

"**Note Security**" means, the security interests created under the Security Documents and any other agreement entered into by the Issuer from time to time and granted as security to the Noteholders and/or the Other Issuer Creditors (or some of them) or to the Representative of the Noteholders on behalf of all or some of the Noteholders and/or the Other Issuer Creditors.

"**Obligations**" means all of the obligations of the Issuer created by or arising under the Notes and the Transaction Documents.

"**Objection**" means has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Objection Notice**" means has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Offer Date**" means, during the Revolving Period and in relation to each Subsequent Portfolio, a date falling no later than 9 (nine) Business Day after the end of each Collection Period.

"**Official Gazzette**" means the *Gazzetta Ufficiale della Repubblica Italiana*.

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

"**Other Issuer Creditors**" means, collectively, the Account Banks, the Computation Agent, the Corporate Services Provider, the Principal Paying Agent, the Local Paying Agent, the Representative of the Noteholders, the Seller, the Servicer, the Stichtingen Corporate Services Provider, the Arranger, the Initial Subscriber, the Subordinated Loan Provider, the Custodian Bank (if appointed) and any other creditor of the Issuer under the Transaction Documents that becomes party to the Intercreditor Agreement and "**Other Issuer Creditor**" means any of them.

"**Other Right**" means any other right, claim and action (including any legal proceeding for the recovery of suffered damages), substantial and procedural action and defence inherent or otherwise ancillary to the aforesaid rights and claims and their exercise in accordance with the Consumer Loan

Agreements and/or pursuant to the applicable laws and regulations, including, without limitation, the right to terminate the relevant Consumer Loan Agreement due to a default (*risoluzione per inadempimento*) and the right to declare any amount under the relevant Consumer Loan Agreement immediately due and payable (*decadenza dal beneficio del termine*).

"**Outstanding Principal**" means, on any given date: (a) with respect to any Consumer Loan and the relevant Receivables, the sum of (i) the aggregate of all the Principal Components owing from the relevant Borrower and/or scheduled to be paid after such date and (ii) the aggregate of all the Principal Components which are past due and unpaid as of such date and (b) with respect to any Portfolio and the Aggregate Portfolio, the aggregate of the Outstanding Principal as of such date of all the Receivables (other than Defaulted Receivables) comprised in the relevant Portfolio and the Aggregate Portfolio, respectively.

"**Paying Agents**" means the Principal Paying Agent and the Local Paying Agent, and "**Paying Agent**" means each of the Principal Paying Agent and Local Paying Agent singularly.

"**Paying Agent Report**" means the report named as such to be prepared and delivered by the Principal Paying Agent in accordance with the Cash Allocation, Management and Payment Agreement.

"**Payment Date**" means (i) prior to the delivery of a Trigger Notice, 20 March, 20 June, 20 September and 20 December of each year (or, if such day is not a Business Day, the immediately following Business Day), provided that the First Payment Date will fall in June 2020, or (ii) following the delivery of a Trigger Notice, any such Business Day as determined by the Representative of the Noteholders on which payments are to be made under the Securitisation.

"**Payments Account**" means the euro denominated account established in the name of the Issuer with the Italian Account Bank with IBAN no. IT48S0356601600000125980023 , or such other substitute account as may be opened in accordance with the Cash Allocation, Management and Payment Agreement.

"**Payments Report**" means the report named as such to be prepared and delivered by the Computation Agent in accordance with the Cash Allocation, Management and Payment Agreement. Such Payments Report will be made freely available into the Computation Agent's website.

"**Portfolio**" means the Initial Portfolio or any Subsequent Portfolio, as the case may be.

"**Post-Trigger Priority of Payments**" means the order of priority set out in Condition 6.3 (*Post-Trigger Priority of Payments*), pursuant to which the Issuer Available Funds shall be applied following the delivery of a Trigger Notice or in case of redemption as at the Final Maturity Date in accordance with Condition 8.1.1 or in the event that the Issuer opts for the early redemption of the Notes issued under the Securitisation under Condition 8.3 (*Redemption, Purchase and Cancellation - Optional redemption for clean-up call*), Condition 8.4 (*Redemption, Purchase and Cancellation – Time Call Option*) or Condition 8.5 (*Redemption, Purchase and Cancellation – Optional redemption for taxation reasons*) .

"**Pre-Trigger Interest Priority of Payments**" means the order of priority set out in Condition 6.1 (*Pre-Trigger Interest Priority of Payments*) pursuant to which the Interest Available Funds shall be applied prior to the delivery of a Trigger Notice.

"**Pre-Trigger Principal Priority of Payments**" means the order of priority set out in Condition 6.2

(*Pre-Trigger Principal Priority of Payments*) pursuant to which the Principal Available Funds shall be applied prior to the delivery of a Trigger Notice.

"**Prepayment**" means the prepayment of a Consumer Loan made by the relevant Debtor pursuant to the contractual provisions of the relevant Consumer Loan Agreement and the Consolidated Banking Act.

"**Prepayment Fees**" means the fee due to the Seller by any Debtor opting for a voluntary prepayment of the relevant Consumer Loan.

"**Previous Notes**" means collectively the asset backed notes issued by the Issuer in the context of the Previous Transactions.

"**Previous Securitisation 2015-1**" means the securitisation transaction whereby the following notes were issued by the Issuer on 9 October 2015: (i) the "€ 825,000,000 Class A-2015-1 Asset-Backed Variable Funding Fixed Rate Notes due October 2031", (ii) the "€ 65,000,000 Class B-2015-1 Asset-Backed Variable Funding Fixed Rate Notes due October 2031", and (iii) the "€ 110,000,000 Class C-2015-1 Asset Backed Variable Funding Notes due October 2031".

"**Previous Securitisation 2016-1**" means the securitisation transaction whereby the following notes were issued by the Issuer on 2 August 2016: (i) the "€ 1,066,000,000 Class A-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040", (ii) the "€ 32,500,000 Class B-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040", (iii) the "€ 45,500,000 Class C-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040", (iv) the "€ 65,000,000 Class D-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040", (v) the "€ 90,870,000 Class E-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040", and (vi) the "€ 130,000 Class F-2016-1 Asset-Backed Variable Funding Fixed Rate Notes due December 2040".

"**Previous Securitisation 2018-1**" means the securitisation transaction whereby the following notes were issued by the Issuer on 27 April 2018: (i) the "€ 395,700,000 Class A-2018-1 Asset-Backed Floating Rate Notes due March 2037", and (ii) the "€ 82,750,000 Class B-2018-1 Asset-Backed Fixed Rate and Variable Return Notes due March 2037".

"**Previous Securitisation 2019-1**" means the securitisation transaction whereby the following notes were issued by the Issuer on 25 June 2019: (i) the "€525,400,000 Class A-2019-1 Asset-Backed Floating Rate Notes due July 2039", (ii) the "€ 18,000,000 Class B-2019-1 Asset-Backed Floating Rate Notes due July 2039", (iii) the "€ 45,100,000 Class C-2019-1 Asset-Backed Fixed Rate Notes due July 2039" and (iv) the "€ 12,000,000 Class D-2019-1 Asset-Backed Fixed Rate and Variable Return Notes due July 2039".

"**Previous Transactions**" means, collectively, the Previous Securitisation 2015-1, the Previous Securitisation 2016-1, the Previous Securitisation 2018-1 and the Previous Securitisation 2019-1.

"**Previous Transaction Documents**" means collectively the documents, deeds and agreements defined as "Transaction Documents" in the prospectus related to the Previous Transactions.

"**Principal Amount Outstanding**" means, on any given date:

(a) in relation to a Note, the nominal principal amount of such Note on the Issue Date, less the aggregate amount of all Principal Payments that have been made in respect of that Note up to any such given date; and

(b) in relation to a Class, the aggregate of the amount in paragraph (a) above in respect of all Notes outstanding in such class;

(c) in relation to the Notes outstanding at any time, the aggregate of the amounts set out in paragraph (a) in respect of all Notes outstanding, regardless of Class; and

(d) in relation to the Subordinated Loan, the aggregate of the Advances made up to such given date, less the aggregate amount of all principal repayments which have been made in respect to the Subordinated Loan up to any such given date.

"**Principal Available Funds**" means in respect of any Payment Date, the aggregate of the following amounts (without double counting):

(a) the Principal Components received by the Issuer in respect of the Receivables (other than Defaulted Receivables) comprised in the Aggregate Portfolio during the immediately preceding Collection Period;

(b) the available proceeds, other than the Revenue Eligible Investments Amount, deriving from the Eligible Investments (if any) made using funds from the Collection Account and the Set-Off Reserve Account (if any), following liquidation thereof on the immediately preceding Eligible Investments Maturity Date;

(c) the amounts allocated under items (ix) (*ninth*), (x) (*tenth*) and (xi) (*eleventh*) of the Pre-Trigger Interest Priority of Payments out of the Interest Available Funds;

(d) the amounts actually credited to and/or retained in, on the immediately preceding Payment Date, the Collection Account under items (i) (*first*) and (iii(B)) (*third(B)* of the Pre-Trigger Principal Priority of Payments, if any;

(e) payments made to the Issuer by the Seller pursuant to the Warranty and Indemnity Agreement during the immediately preceding Collection Period in respect of indemnities or damages for breach of representations or warranties;

(f) the principal component of the purchase price received by the Issuer in relation to the sale of any Receivables (other than Defaulted Receivables) made in accordance with the Master Transfer Agreement and the Warranty and Indemnity Agreement during the immediately preceding Collection Period;

(g) on the Calculation Date immediately preceding the Cancellation Date, the balance standing to the credit of the Expenses Account at such date;

(h) the Set-Off Reserve Required Amount (if any) in respect of such Payment Date; and

(i) in respect of the earlier of (i) the Final Maturity Date, (ii) the Payment Date on which there will be sufficient Issuer Available Funds (including the Cash Reserve) to redeem in full the Rated Notes, and (iii) the Payment Date following the delivery of a Trigger Notice, all amounts standing to the credit of the Cash Reserve Account.

"**Principal Component**" means the principal component of each Instalment (including the portion of such Instalment corresponding to the pro rata amount of the financed insurance premium).

"**Principal Deficiency Ledger**" means the principal deficiency ledger comprising the Class A

Principal Deficiency Sub-Ledger, the Class B Principal Deficiency Sub-Ledger and the Class Z Principal Deficiency Sub-Ledger, maintained by the Computation Agent on behalf of the Issuer.

"**Principal Factor**" means, at any time and in respect of a Class of Notes, the fraction expressed as a decimal to the eight point of which the numerator is the aggregate Principal Amount Outstanding of the relevant Class of Notes at such time and the denominator is the aggregate Principal Amount Outstanding of the relevant Class of Notes upon issue.

"**Principal Paying Agent**" means CITIBANK N.A., LONDON BRANCH or any other entity acting as paying agent under the Securitisation from time to time.

"**Principal Payments**" has the meaning given in Condition 8.6 (*Redemption, Purchase and Cancellation - Principal Payment on the Notes, Redemption Amounts and Principal Amount Outstanding*).

"**Priority of Payments**" means, as the case may be, the Pre-Trigger Interest Priority of Payments, the Pre-Trigger Principal Priority of Payments and the Post-Trigger Priority of Payments.

"**Privacy Law**" means Legislative Decree no. 196 of 30 June 2003, as amended and/or supplemented from time to time.

"**Privacy Rules**" means, collectively, (a) the Privacy Law, (b) the GDPR, (c) the regulation (*provvedimento*) issued by the "*Autorità Garante per la protezione dei Dati Personali*" dated 18 January 2007, and (d) any other legislative act or provision of an administrative or regulatory nature, adopted by the Privacy Authority and/or other competent Authority, in force from time to time.

"**Prospectus**" means the prospectus prepared in connection with the issue of the Notes.

"**Prospectus Regulation**" means Regulation (EU) 2017/1129, as amended and/or supplemented from time to time.

"**Purchase Price**" the purchase price due by the Issuer to the Seller in respect of each Portfolio assigned and transferred pursuant to the Master Transfer Agreement.

"**Purchase Termination Event**" means any of the events described in schedule 3 (*Purchase Termination Events*) of the Master Transfer Agreement and Condition 15 (*Purchase Termination Events*).

"**Purchase Termination Notice**" means the notice served by the Servicer (with copy to the Seller, the Representative of the Noteholders, the Computation Agent and the Rating Agencies) upon the occurrence of a Purchase Termination Event, in accordance with the Master Transfer Agreement and with Condition 15 (*Purchase Termination Events*).

"**Quota Capital Account**" means the euro denominated account established in the name of the Issuer with Santander Consumer Bank for the deposit of the quota capital of the Issuer, or such other substitute account as may be opened in accordance with the Cash Allocation, Management and Payment Agreement.

"**Quotaholders**" means the quotaholders of the Issuer, being Stichting Po River and Stichting Turin, and Quotaholder means any of them.

"**Quotaholders Agreement**" means the quotaholders agreement entered into on or about the Issue

Date between the Issuer, the Representative of the Noteholders, the Seller and the Quotaholders, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Rated Notes**" means, collectively, the Class A Notes and the Class B Notes.

"**Rating Agencies**" means, collectively, DBRS and Fitch, and Rating Agency means any of them.

"**Receivables**" means all rights and claims of the Issuer arising out of or in connection with the Consumer Loan Agreements, including without limitation:

(a) all rights and claims in respect of the Outstanding Principal as at the relevant Valuation Date;

(b) all rights and claims in respect of the payment of interest (including default interest) accrued on the Consumer Loans and not collected up to the relevant Valuation Date (included);

(c) all rights and claims in respect of the payment of interest (including default interest) accruing on the Consumer Loans from the relevant Valuation Date (excluded);

(d) all rights and claims in respect of payments of any amount deriving from damages suffered, costs, expenses, Taxes and ancillary amounts due pursuant to the Consumer Loan Agreements;

(e) all rights and claims in respect of any Collateral Security relating to the relevant Consumer Loan Agreement;

(f) all rights and claims in respect of the Insurance Policies (excluding the *premia* relating to the Insurance Policies not financed by the Seller);

(g) for the avoidance of doubt, all rights and claims in respect of the Balloon Instalment once refinanced by and between the Seller and the Debtor; and

(h) for the avoidance of doubt, all rights and claims towards the relevant Dealer for the payment of the Balloon Instalment upon exercise of the relevant contractual option by the Debtor pursuant to the relevant VFG Balloon Auto Loan Agreement,

together with all privileges and priority rights (*diritti di prelazione*) provided for by law relating to Receivables, as well as, to the maximum extent and within the limits permitted by law, the Other Rights.

"**Recoveries**" means all amounts recovered in respect of the Defaulted Receivables, including penalties and insurance proceeds.

"**Regulation 13 August 2018**" means the regulation, regarding post-trading systems, issued by the Bank of Italy and the CONSOB on 13 August 2018, as amended and/or supplemented from time to time.

"**Regulatory Technical Standards**" means:

(i) the regulatory technical standards adopted by EBA or ESMA, as the case may be, pursuant to the EU Securitisation Regulation; or

(ii) the transitional regulatory technical standards applicable pursuant to article 43 of the EU Securitisation Regulation prior to the entry into force of the regulatory technical standards referred to in paragraph (i) above.

"**Relevant Day-Count Fraction**" means the Actual/360 day count convention that uses the actual number of days in a month and 360 days in a year for calculating interest payments.

"**Relevant Payment Date**" has the meaning ascribed to such term in the Master Transfer Agreement.

"**Remedy Period**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Renegotiation**" has the meaning ascribed to such term in the Servicing Agreement.

"**Reporting Entity**" means Santander Consumer Bank.

"**Representative of the Noteholders**" means Securitisation Services S.p.A. or any other entity acting as representative of the Noteholders under the Securitisation from time to time.

"**Request**" means the request for any Set-Off Reserve Advance under the Subordinated Loan.

"**Residual Recurring Costs**" means, with reference to any Consumer Loan which is subject to a Prepayment, the aggregate amount of interests and costs for the residual life of any such Consumer Loan which (i) are contractually due thereunder, (ii) the relevant Debtor is entitled not to pay as a result of the reduction of the aggregate cost of the financing being provided for by article 125-*sexies* of the Consolidated Banking Act; and (iii) may include Undue Amounts.

"**Retention Amount**" means an amount equal to € 30,000.

"**Re-Transfer**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Re-Transfer Option**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Re-Transfer Option Exercise Notice**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Re-Transfer Price**" has the meaning ascribed to such term in the Warranty and Indemnity Agreement.

"**Revenue Eligible Investments Amount**" means, as at each Eligible Investment Maturity Date, any interest or other remuneration on the Eligible Investments bought by or for the account of the Issuer other than repayment of principal or repayment of the initial capital invested, as applicable, in respect of each Eligible Investment.

"**Revolving Period**" means the period commencing on the Issue Date and ending on the earlier of:

(a) the Payment Date falling in March 2022 (included); or

(b) the date on which a Purchase Termination Notice is served on the Issuer.

"**Rules of the Organisation of the Noteholders**" means the Rules of the Organisation of Noteholders attached as Exhibit 1 to the Terms and Conditions, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Santander Consumer Bank**" means Santander Consumer Bank S.p.A., a bank incorporated as joint stock company (*società per azioni*) organised under the laws of the Republic of Italy, registered with the companies register of Turin under no. 05634190010 and registered with the register of banks (*albo delle banche*) held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act under No. 5496, parent company of the "Gruppo Bancario Santander Consumer Bank", registered with the register of banking groups held by the Bank of Italy pursuant to article 64 of the Consolidated Banking Act under No. 3191.4, having its registered office at Corso Massimo d'Azeglio 33/E, 10126 Turin, Italy.

"**Santander Consumer Finance**" means Santander Consumer Finance, S.A., a banking entity incorporated under the laws of Spain, registered with the Banco de España (Bank of Spain) under No. 8236, having its registered offices at Boadilla del Monte, Madrid, 28660, Spain and Tax Identification Code A-28122570.

"**Scheduled Instalment Date**" means any date on which an Instalment is due.

"**Secured Amounts**" means all the amounts due, owing or payable by the Issuer, whether present or future, actual or contingent, to the Noteholders under the Notes and the Other Issuer Creditors pursuant to the relevant Transaction Documents.

"**Secured Creditors**" means the Noteholders and the Other Issuer Creditors.

"**Secured Obligations**" means all of the Issuer's obligations vis-à-vis the Secured Creditors under the Notes and the Transaction Documents.

"**Securities Act**" means the U.S. Securities Act of 1933, as amended and/or supplemented from time to time.

"**Securitisation**" means the securitisation of the Receivables made by the Issuer through the issuance of the Notes.

"**Securitisation Law**" means Italian Law no. 130 of 30 April 1999, as amended and/or supplemented from time to time.

"**Security**" means, the security interests created under the Security Documents and any other agreement entered into by the Issuer from time to time and granted as security to the Noteholders and/or the Other Issuer Creditors (or some of them) or to the Representative of the Noteholders on behalf of all or some of the Noteholders and/or the Other Issuer Creditors.

"**Security Documents**" means the Spanish Deed of Pledge.

"**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.

"**Seller**" means Santander Consumer Bank.

"**Seller's Claims**" means, collectively, the monetary claims that the Seller may have from time to time against the Issuer under the Master Transfer Agreement, the Servicing Agreement or the Warranty and Indemnity Agreement (other than for amounts that are expressed to be paid to the Seller outside the Priority of Payments).

"**Senior Noteholder**" means the Holder of a Senior Note and Senior Noteholders means all of them.

"**Senior Notes**" means the Class A Notes and Senior Note means any of them.

"**SEPA Direct Debit**" means the payment system defined in the Regulation (EU) no. 260/2012 of the European Parliament and of the Council of 14 March 2012 establishing technical and business requirements for credit transfers and direct debits in euro amending Regulation (EC) no. 924/2009.

"**Servicer**" means Santander Consumer Bank or any other entity acting as servicer pursuant to the Servicing Agreement from time to time.

"**Servicer Change of Control**" means the circumstance that the Servicer's Owner ceases to own, directly or indirectly, 100 per cent. of the share capital of Santander Consumer Bank acting as Servicer.

"**Servicer Report**" means the report delivered by the Servicer on each Servicer Report Date, in accordance with the provisions of the Servicing Agreement.

"**Servicer Report Date**" means the day falling 7 (seven) Business Days after the end of each Collection Period, provided that the first Servicer Report Date will be the 10th of June 2020.

"**Servicer Report Delivery Failure Event**" means the event which will have occurred upon the Servicer's failure to deliver the Servicer Report within three Business Days from the relevant Servicer Report Date; provided that such event will cease to be outstanding when the Servicer delivers the Servicer Report.

"**Servicer Termination Event**" means any termination event of the Servicer as provided for by the Servicing Agreement.

"**Servicer's Account Banks**" means the banks with which the Servicer has opened and holds the bank accounts into which the Debtors pay the sums due in respect of the Receivables comprised in the Aggregate Portfolio and Servicer Account Bank means any of them.

"**Servicer's Owner**" means the entity owning the entire share capital of Santander Consumer Bank, such entity being, as at the Issue Date, Santander Consumer Finance.

"**Servicer's Owner First Rating Event**" means the circumstance that the Servicer's Owner's long-term, unsecured and unsubordinated debt obligations ceases to be rated at least "BB" by Fitch.

"**Servicing Agreement**" means the servicing agreement entered into on 27 January 2020 between the Issuer and the Servicer, as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Servicing Fee**" means the fee payable by the Issuer to the Servicer, in accordance with the terms of the Servicing Agreement.

"**Set-Off Required Ratings**" means, with respect to the Servicer's Owner, all the following ratings:

(i) a rating assigned to its long-term unsecured, unsubordinated and unguaranteed debt obligations of at least BBB by DBRS and BBB by Fitch; and

(ii) a rating assigned to its short-term unsecured, unsubordinated and unguaranteed debt obligations of at least F2 by Fitch,

or such other rating as acceptable to DBRS and Fitch from time to time.

"**Set-Off Reserve**" means the funds standing from time to time to the credit of the Set-Off Reserve Account (including any Eligible Investments made with such funds).

"**Set-Off Reserve Account**" means the Euro denominated account to be established in the name of the Issuer with an Eligible Institution into which the Set-Off Reserve shall be credited, in accordance with the Intercreditor Agreement and the Cash Allocation, Management and Payment Agreement.

"**Set-Off Reserve Advance**" means the advances of the Subordinated Loan to be made available by the Subordinated Loan Provider in favour of the Issuer following the occurrence of a Set-Off Reserve Trigger Event, and Set-Off Reserve Advances means all of them collectively.

"**Set-Off Reserve Available Amount**" means, in respect of each Payment Date, the funds standing to the credit of the Set-Off Reserve Account, less the Set-Off Reserve Excess Amount.

"**Set-Off Reserve Excess Amount**" means:

(a) in respect of any Payment Date up to (but excluding) (i) the Cancellation Date, (ii) the Payment Date following the service of a Trigger Notice or (iii) the Payment Date on which the Rated Notes will be redeemed in full, an amount equal to the amount (if positive) resulting from the following formula: A – B – C,

where

"A" means the Set-Off Reserve as at the relevant Calculation Date;

"B" means the relevant Aggregate Set-Off Loss (if any) calculated on the relevant Calculation Date; and

"C" means the Target Set-Off Reserve Amount as of the relevant Calculation Date; or

(b) in respect of any Payment Date starting from (and including) (i) the Cancellation Date, (ii) the Payment Date following the service of a Trigger Notice or (iii) the Payment Date on which the Rated Notes will be redeemed in full, the Set-Off Reserve as at the relevant Calculation Date.

"**Set-Off Reserve Required Amount**" means:

(a) in respect of any Payment Date up to (but excluding) (i) the Cancellation Date, (ii) the Payment Date following the service of a Trigger Notice or (iii) the Payment Date on which the Rated Notes will be redeemed in full, an amount equal to the lower of (A) the Set-Off Reserve Available Amount in respect of such Payment Date and (B) the relevant Aggregate Set-Off Loss (if any); and

(b) in respect of any Payment Date starting from (and including) (i) the Cancellation Date, (ii)

the Payment Date following the service of a Trigger Notice or (iii) the Payment Date on which the Rated Notes will be redeemed in full, the Set-Off Reserve Available Amount.

"**Set-Off Reserve Top-Up Event**" means each event which will have occurred each time the Target Set-Off Reserve Amount has become greater than the Target Set-Off Reserve Amount as at the previous Payment Date, as a result of the purchase of any Subsequent Portfolio by the Issuer or for whatever other reasons (including new deposits being made by Debtors) and the consequent increase of the Net Exposure of the Aggregate Portfolio.

"**Set-Off Reserve Trigger Event**" means, at any given time, the occurrence, concurrently, of both the following events: (a) the Target Set-Off Reserve Amount is higher than zero; and (b) (i) the Servicer's Owner ceases to have any of the Set-Off Required Ratings or any of such ratings has been withdrawn; or (ii) the Servicer's Owner ceases to own, directly or indirectly, 100 per cent. of the share capital of Santander Consumer Bank.

"**Set-Off Reserve Trigger Notice**" means the notice in respect of a Set-Off Reserve Trigger Event, to be delivered promptly following the occurrence of such event, by the Servicer (or, failing that, by the Representative of the Noteholders), to the Issuer in accordance with the Cash Allocation, Management and Payment Agreement.

"**Settlement**" has the meaning ascribed to such term in the Servicing Agreement.

"**Spanish Account Bank**" means Banco Santander or any other entity, being an Eligible Institution, acting as Spanish account bank under the Securitisation from time to time.

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

"**Stichting Po River**" means Stichting Po River, a Dutch foundation established under the laws of The Netherlands, having its registered office at Barbara Strozzilaan 101, 1083 HN Amsterdam, The Netherlands.

"**Stichting Turin**" means Stichting Turin, a Dutch foundation established under the laws of The Netherlands having its registered office at Barbara Strozzilaan 101, 1083 HN Amsterdam, The Netherlands.

"**Stichtingen**" means Stichting Po River and Stichting Turin, collectively, and Quotaholder means any of them.

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

"**Stichtingen Corporate Services Provider**" means Wilmington Trust or any other entity acting as stichtingen corporate services provider under the Securitisation from time to time.

"**Subordinated Loan**" means the limited recourse loan granted to the Issuer by the Subordinated

Loan Provider pursuant to the Subordinated Loan Agreement.

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

"**Subordinated Loan Provider**" means Santander Consumer Bank or any other entity acting as subordinated loan provider under the Securitisation from time to time.

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

"**Subsequent Portfolio**" means each portfolio of Receivables assigned and transferred by the Seller to the Issuer after the sale of the Initial Portfolio, pursuant to the Master Transfer Agreement, and Subsequent Portfolios means all of them.

"**Subsequent Portfolio Transfer Acceptance**" means the acceptance of a Subsequent Portfolio Transfer Proposal to be executed in accordance with the Master Transfer Agreement.

"**Subsequent Portfolio Transfer Proposal**" means the transfer proposal to be executed in relation to the transfer of a Subsequent Portfolio, in the form attached as schedule 4 (*Form of Transfer Proposal*) to the Master Transfer Agreement.

"**Subsequent Valuation Date**" means, during the Revolving Period, the date indicated as such in the relevant Transfer Agreement.

"**Substitute Servicer**" means any substitute servicer appointed by the Issuer in accordance with the provisions of the Servicing Agreement.

"**Summary Report**" means the report to be prepared and delivered by the Seller in the form attached as annex B to the Transfer Proposal.

"**Surveillance Report**" means the report prepared by the Rating Agencies related to the Senior Notes required by the European Central Bank and/or the documentation of the European Central Bank on monetary policy instruments and procedures of the Eurosystem.

"**T.A.N.**"means, in respect of each Consumer Loan, the annual nominal rate of return (*tasso nominale annuo*).

"**Target Cash Reserve Amount**" means:

(a) in respect of the Issue Date, an amount equal to €8,500,000 (such amount, the "**Cash Reserve Advance**"); and

(b) in respect of each Payment Date, an amount, calculated pursuant to the Cash Allocation, Management and Payment Agreement, equal to 1.25 per cent. of the aggregate Principal Amount Outstanding of the Rated Notes as at the immediately preceding Payment Date provided that such amount cannot be lower than an amount equal to 0.15 per cent. of the

aggregate Principal Amount Outstanding of the Rated Notes as at Issue Date,

provided that on the earlier of (i) the Final Maturity Date, (ii) the Payment Date on which there will be sufficient Issuer Available Funds (including the Cash Reserve) to redeem in full the Rated Notes, and (iii) the Payment Date following the delivery of a Trigger Notice, the Target Cash Reserve Amount will be reduced to 0 (zero).

"**Target Set-Off Reserve Amount**" means, in respect of any given date, an amount calculated pursuant to the Cash Allocation, Management and Payment Agreement, equal to (i) the difference (if positive) between the Net Exposure of the Aggregate Portfolio as of such date and (ii) 0.4 per cent. of the Outstanding Principal of the Aggregate Portfolio as of such date, provided that following the earlier of (i) the Cancellation Date, (ii) the Payment Date on which the Rated Notes will be redeemed in full, and (iii) the Payment Date following the delivery of a Trigger Notice, the Target Set-Off Reserve Amount will be reduced to 0 (zero).

"**Tax**" means 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 sub division thereof or any authority thereof or therein.

"**Tax Call Event**" means, upon occurrence of a change in tax law (or the application or official interpretation thereof) which becomes effective on or after the Issue Date, any of the following events:

(a) the assets of the Issuer in respect of the Securitisation (including the Receivables, the Collections and the other material Issuer's Rights) becoming subject to taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Republic of Italy or by any political sub-division thereof or by any authority thereof or therein or by any applicable taxing authority having jurisdiction; or

(b) either the Issuer or any paying agent appointed in respect of the Notes or any custodian of the Notes being required to deduct or withhold any amount (other than in respect of a Decree 239 Deduction) in respect of the Notes, from any payment of principal or interest on or after such Payment Date 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 by any political sub-division thereof or by any authority thereof or therein or by any other applicable taxing authority having jurisdiction and provided that such deduction or withholding may not be avoided by appointing a replacement paying agent or custodian in respect of the Notes before the Payment Date following a change in law or the interpretation or administration thereof; or

(c) any amounts of interest payable to the Issuer in respect of the Consumer Loans being required to be deducted or withheld from the Issuer 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 by any political subdivision thereof or by any authority thereof or therein or by any other applicable taxing authority having jurisdiction.

"**Tax Redemption Notice**" means the notice delivered by the Issuer upon the occurrence of a Tax Call Event, in accordance with Condition 8.5 (*Redemption for taxation reasons*).

"**Terms and Conditions**" or "**Conditions**" means the terms and conditions of the Notes.

"**Transaction Documents**" means the Master Transfer Agreement, the Transfer Agreements, the Subscription Agreement, the Warranty and Indemnity Agreement, the Servicing Agreement, the Subordinated Loan Agreement, the Corporate Services Agreement, the Stichtingen Corporate Services Agreement, the Quotaholders Agreement, the Cash Allocation, Management and Payment Agreement, the Monte Titoli Mandate Agreement, the Intercreditor Agreement, the Spanish Deed of Pledge, the Mandate Agreement, the Master Definitions Agreement, the Terms and Conditions, the Prospectus and any other deed, act, document or agreement executed in the context of the Securitisation.

"**Transfer Acceptance**" has the meaning ascribed to such term in the Master Transfer Agreement.

"**Transfer Agreements**" means each transfer agreement executed by the Issuer and the Seller in connection with the purchase of each Subsequent Portfolio in accordance with the provisions of the Master Transfer Agreement.

"**Transfer Date**" means (i) in relation to the Initial Portfolio, the Initial Transfer Date; or (ii) in relation to any Subsequent Portfolio, the date of acceptance of the relevant Subsequent Portfolio Transfer Proposal by the Issuer.

"**Transfer Limits**" means the limits which each Subsequent Portfolio shall comply with as at the relevant Offer Date pursuant to the Master Transfer Agreement.

"**Transfer Proposal**" has the meaning ascribed to such term in the Master Transfer Agreement.

"**Trigger Event**" means any of the events described in Condition 13 (*Trigger Events*).

"**Trigger Notice**" means the notice served by the Representative of the Noteholders upon the occurrence of a Trigger Event, in accordance with Condition 13 (*Trigger Events*).

"**Undue Amounts**" means the portion of the upfront fees and expenses paid by the Debtor upon execution of the relevant Consumer Loan Agreement which, in case of Prepayment, are considered Residual Recurring Costs and that, as such, are to be reimbursed to the relevant Debtor and may therefore be deducted from the final amount otherwise due and payable by the Debtor upon Prepayment.

"**Unpaid Instalment**" means, in respect of any given date and the Consumer Loans, an Instalment which, as at such date, is past due but not fully paid, and remains such for at least one calendar month following the date on which it should have been paid, under the terms of the relevant Consumer Loan.

"**Usury Law**" means, collectively, Italian Law No. 108 of 7 March 1996, as amended and/or supplemented from time to time, and Italian Law No. 24 of 28 February 2001, which converted into law the Law Decree no. 394 of 29 December 2000.

"**Valuation Date**" means, in respect of the Initial Portfolio, the Initial Valuation Date and, in respect of each Subsequent Portfolio, the Subsequent Valuation Date.

"**Variable Return**" means, in relation to the Junior Notes, on each Payment Date, an amount equal to any Issuer Available Funds remaining after making all payments due under items from (i) (*First*) to (xvii) (*seventeenth*) (inclusive) of the Pre-Trigger Interest Priority of Payments, from (i) (*First*)

to (viii) (*eighth*) (inclusive) of the Pre-Trigger Principal Priority of Payments or from (i) (*First*) to (xiv) (*fourteenth*) (inclusive) of the Post-Trigger Priority of Payments, as the case may be.

"**Vehicles**" means cars and/or motorbikes registered in Italy as at the date of execution of the relevant Consumer Loan Agreement.

"**VFG Balloon Auto Loan Agreement**" means a Consumer Loan Agreement whereby the relevant Consumer Loan amortises over the life of the Consumer Loan Agreement in substantially equal monthly Instalments and a final larger balloon instalment (the latter, the Balloon Instalment).

"**Volcker Rule**" means Section 619 of the Dodd-Frank Act.

"**Warranty and Indemnity Agreement**" means the warranty and indemnity agreement entered into on 27 January 2020 between the Seller and the Issuer as from time to time modified in accordance with the provisions therein contained and including any agreement or other document expressed to be supplemental thereto.

"**Weighted Average TAN**" means, on each Offer Date with reference to all the Receivables comprised in the Collateral Aggregate Portfolio (including the Subsequent Portfolio offered for sale), the aggregate of the weighted annual nominal interest rate of each Receivable calculated as follows:

(a) the annual nominal interest rate applicable to the relevant Receivable pursuant to the relevant Consumer Loan Agreement; multiplied by

(b) the Outstanding Principal, as at the Collection End Date immediately preceding the relevant Offer Date (or, in respect of each Receivable comprised in the Subsequent Portfolio offered for sale, as at the relevant Valuation Date), of such Receivable,

divided by the aggregate of (i) the Outstanding Principal, as at the Collection End Date immediately preceding the relevant Offer Date, of all the Receivables comprised in the Collateral Aggregate Portfolio already transferred to the Issuer, and (ii) the Outstanding Principal, as at the relevant Valuation Date, of all the Receivables comprised in the Subsequent Portfolio/s offered for sale.

"**Wilmington Trust**" means Wilmington Trust SP Services (London) limited, a private limited liability company incorporated under the laws of England, having its registered office at Third Floor, 1 King's Arms Yard London EC2R 7AF, United Kingdom.

"**Written Resolution**" means a resolution in writing signed by or on behalf of all holders of Notes who for the time being are entitled to participate to a Meeting in accordance with the Rules of the Organisation of Noteholders, whether contained in one document or several documents in the same form, each signed by or on behalf of such holders of Notes.

THE ISSUER
Golden Bar (Securitisation) S.r.l.
Via Principe Amedeo, 11
10123 Turin
Italy

SELLER, SERVICER, SUBORDINATED LOAN PROVIDER AND INITIAL SUBSCRIBER
Santander Consumer Bank S.p.A.
Corso Massimo D'Azeglio, 33/E
10126 Turin
Italy

REPRESENTATIVE OF THE NOTEHOLDERS
Securitisation Service S.p.A.
Via Vittorio Alfieri, 1
31015 Conegliano (TV)
Italy

COMPUTATION AGENT AND PRINCIPAL PAYING AGENT
Citibank N.A., London Branch
Citigroup Centre
33 Canada Square, Canary Wharf London, E14 5LB
United Kingdom

SPANISH ACCOUNT BANK
Banco Santander S.A.
Juan Ignacio Luca de Tena nº11
Edificio Magdalena 2ªplanta
28027
Madrid
Spain

ITALIAN ACCOUNT BANK AND LOCAL PAYING AGENT
Citibank N.A., Milan Branch
Via dei Mercanti, 12
20121 Milan
Italy

THE BACK-UP SERVICER FACILITATOR
Santander Consumer Finance, S.A.
Boadilla del Monte
28660 Madrid
Spain

CORPORATE SERVICES PROVIDER
Bourlot Gilardi Romagnoli e Associati
Via Principe Amedeo, 11
10123 Turin
Italy

QUOTAHOLDERS
Stichting Turin and **Stichting Po River**
Barbara Strozzilaan 101
1083HN Amsterdam
The Netherlands

STICHTINGEN CORPORATE SERVICES PROVIDER
Wilmington Trust SP Services (London) Limited
Third Floor 1 King's Arms Yard
London EC2R 7AF
United Kingdom

ARRANGER
Banco Santander S.A.
Paseo de Pereda 9-12
Santander
Spain

LEGAL ADVISERS
To the Seller and the Arranger as to Italian law
Jones Day
Via Turati 16/18
20121 Milan
Italy

To the Seller and the Arranger as to Spanish law
Jones Day
Paseo de Recoletos 37-41
Planta 5ª
28004 Madrid
Spain