

**SUPPLEMENT DATED 13 APRIL 2010
TO THE PROSPECTUS DATED 23 JULY 2009**



Intesa Sanpaolo S.p.A.

(incorporated as a joint stock company under the laws of the Republic of Italy)

€10,000,000,000.00 Covered Bond Programme (the “Programme”)

unsecured and guaranteed as to payments of interest and principal by

ISP CB Pubblico S.r.l.

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

This supplement (the “**Supplement**”) constitutes a Supplement to the Base Prospectus dated 23 July 2009 (the “**Prospectus**”) for the purposes of Article 16 of Directive 2003/71/EC (the “**Prospectus Directive**”) and Article 13, paragraph 1, of the Luxembourg Law on Prospectuses for Securities dated 10 July 2005 (the “**Luxembourg Law**”).

This Supplement constitutes a Supplement to, and should be read in conjunction with, the Prospectus.

Capitalized terms used in this Supplement and not otherwise defined herein, shall have the same meaning ascribed to them in the Prospectus.

Each of the Issuer, the Covered Bonds Guarantor and the Seller accepts responsibility for the information contained in this Supplement, with respect to those sections which already fall under the responsibility of each of them under the Prospectus and which are supplemented by means of this Supplement. To the best of the knowledge of the Issuer, the Seller and the Covered Bonds Guarantor (having taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement has been approved by the *Commission de Surveillance du Secteur Financier*, which is the Luxembourg competent authority for the purposes of the Prospectus Directive and Luxembourg Law, as a supplement issued in compliance with the Prospectus Directive and relevant implementing measures in Luxembourg for the purposes of: (i) giving information with regard to the amendments occurred to certain Transaction Documents; (ii) incorporating financial information of the Issuer, the Seller and the Covered Bonds Guarantor as at and for the year ended 31 December 2009 and, accordingly, (iii) updating certain sections of the Prospectus.

In accordance with Article 16, paragraph 2, of the Prospectus Directive and Article 13, paragraph 2, of the Luxembourg Law, investors who have already agreed to purchase or subscribe for the securities before this Supplement is published have the right, exercisable within a time limit of minimum two working days after the publication of this Supplement, to withdraw their acceptances.

Save as disclosed in this Supplement, there has been no other significant new factor and there are no material mistakes or inaccuracies relating to information included in the Prospectus

which is capable of affecting the assessment of Covered Bonds issued under the Programme since the publication of the Prospectus. To the extent that there is any inconsistency between (i) any statement in this Supplement and (ii) any statement in or incorporated by reference into the Prospectus, the statements in this Supplement will prevail.

Copies of this Supplement may be inspected during normal business hours at the Specified Office of the Luxembourg Listing Agent and of the Representative of the Covered Bondholders.

Copies of this Supplement and all documents incorporated by reference in the Prospectus are available on the Luxembourg Stock Exchange's website (www.bourse.lu).

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RISK FACTORS

On page 21, the first paragraph of the risk factor “*Reliance on Hedging Counterparties*” is replaced as follows (the underlined words show the insertions made):

“To provide a hedge against currency risk and/or interest rate risks in respect of each Series of the Covered Bonds issued under the Programme, the Covered Bonds Guarantor may enter into CB Swaps with the CB Hedging Counterparties. Finally, to provide a hedge against currency risk and/or interest rate risk on the Portfolio, the Covered Bonds Guarantor will enter into TBG Swaps in respect of each assigned portfolio (together the TBG Swaps and the CB Swaps, the “Swap Agreements”) with the TBG Hedging Counterparties (together the TBG Hedging Counterparties and the CB Hedging Counterparties, the “Hedging Counterparties”).”

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On page 25, the risk factor “*Legal risks relating to the Loans*”, paragraph “*Set-off risks*”, is replaced as follows (the underlined words show the insertions made):

“Set-off risks

The assignment of receivables under Law 130 is governed by Article 58, paragraph 2, 3 and 4, of the Banking Law. According to the prevailing interpretation of such provision, such assignment becomes enforceable against the relevant Debtors as of the later of: (i) the date of the publication of the notice of assignment in the Official Gazette of the Republic of Italy (Gazzetta Ufficiale della Repubblica Italiana), and (ii) the date of registration of the notice of assignment in the local Companies’ Registry. Consequently, the rights of the Covered Bonds Guarantor may be subject to the direct rights of the Debtors against the Seller or, as applicable the relevant Originator, including rights of set-off on claims arising existing prior to notification in the Official Gazette and registration at the Local Companies’ Registry. Some of the Loans in the Portfolio may have increased risks of set-off, because the Seller or, as applicable, the relevant Originator is required to make payments under them to the Debtors. In addition, the exercise of set-off rights by Debtors may adversely affect any sale proceeds of the Portfolio and, ultimately, the ability of the Covered Bonds Guarantor to make payments under the Covered Bonds Guarantee.

In addition some of the Loans in the Portfolio have been disbursed under certain framework agreements, Multi-tranche Agreements (as defined herein) or plafond agreements (the “Master Loan Agreements” and, each of them, a “Master Loan Agreement”). Pursuant to each Master Loan Agreement, notwithstanding the relevant Loan is fully disbursed in favor of the relevant Debtor and assigned to the Covered Bonds Guarantor, the Seller maintains a contractual relationship with the relevant Debtor and may be obliged to disburse further loans in favor of the same. In light of the above, should the Seller breach its obligations under any of the Master Loan Agreements, the relevant Debtors, might raise an exception pursuant to Article 1460 of the Italian civil code (eccezione di inadempimento), and this could possibly result in a temporary suspension of payments due under the relevant Receivables assigned to the Covered Bonds Guarantor until the Seller fulfills its own, provided that the respective obligations of the Seller and the Debtor are deemed to be interdependent. The length of the suspension is uncertain, and might depend, inter alia, on the length of a judicial proceeding that would likely be initiated by the Covered Bond Guarantor or the Debtor.

Notwithstanding the above, the Debtors in raising such exception should always act in bona fide and any delay or refusal to pay should be only temporary and proportional to the breach of the Seller. Moreover, in principle, the relevant Debtor could not: (i) exercise set-off rights vis-à-vis the Covered Bonds Guarantor with reference to the payments to be received by the Seller for obligations that arose after the transfer is effective vis-à-vis the Debtors; (ii) require the Covered Bonds Guarantor to fulfill the Seller’s obligations; (iii) require the Covered Bonds Guarantor to refund any damages incurred by the Debtor further to the failure by the Seller to fulfill its own obligations.

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On pages 25 and 26, the risk factor “*Legal risks relating to the Loans*”, paragraph “*Loan disbursed by lenders in pool*”, is replaced as follows (the underlined words show the insertions made):

“*Loans disbursed by lenders in pool (ATI and Convenzioni in Pool)*”

The Portfolio includes certain Loans disbursed by lenders in pool both by means of ATI (as defined below) or Convenzioni in Pool (as defined below).

Pursuant to Italian law, should a pool of banks participate in a public auction for the granting of a loan towards a public entity, such banks are requested to form an ATI, such a temporary association of enterprises, and give an irrevocable mandate (an in rem propriam mandate) to one of them acting as agent bank. The agent bank is entitled, inter alia, to enter into the loan agreement and perform all the recovery and collection activity towards the Debtor. In particular, the agent bank is, among the lenders, the only entity entitled to exercise the enforcement, recovery and collection activities towards the Debtor, provided that the agent bank shall, in accordance with an intercreditor agreement, distribute to each of the lender the relevant reimbursement amount. The lenders constituting the pool are therefore subject to the timing of payment by the agent bank and to the due fulfillment of its obligation under the intercreditor agreement.

Certain Loans included in the Portfolio are loans disbursed by lenders in the pool both by means of ATI or Convenzioni in Pool and, in respect to some of such loans, BIIS acts as agent bank otherwise BIIS acts as principal.

Where BIIS acts as agent bank, BIIS may, in accordance with the provisions regulating the ATI or the Convenzione in Pool, assign its rights against the Debtor, but nevertheless will remain the only recognised counterparty for the public entity Debtor and, accordingly, the only entitled to perform, also in the interest of the Covered Bonds Guarantor, the enforcement and recovery procedures vis-à-vis such Debtor.

In the event that BIIS is not the agent bank, but acts solely in its capacity as a lender in the pool, BIIS would, following the assignment of the Loan and the Portfolio, not be able to supervise the enforcement, recovery and collection activities, which are performed by the relevant agent bank.

For the avoidance of doubt, the Covered Bonds Guarantor shall only be able to rely on the relevant agent bank fulfilling its obligations in a timely and orderly fashion.

The Transaction Documents contain certain provisions aimed at mitigating the risks mentioned above. In particular, in accordance with the Servicing Agreement and the Portfolio Administration Agreement, upon the occurrence of an ATI Agent Trigger Event, the Issuer and the Servicer are required to implement certain ATI Agent Remedy Actions. (For a complete description see “Credit Structure”).”

GENERAL DESCRIPTION OF THE PROGRAMME

On pages 39 and 40, paragraph “*Conditions Precedent to the Issuance of a new Series of Covered Bonds*” is replaced as follows (the underlined words show the insertions made):

“*The Issuer will be entitled (but not obliged) at its option, on any date and without the consent of the holders of the Covered Bonds issued beforehand and of any other creditors of the Covered Bonds Guarantor or of the Issuer, to issue further Series of Covered Bonds other than the first issued Series, subject to:*

- (i) *issuance of a rating letter by the Rating Agency with respect to such further issue of Covered Bonds; and*
- (ii) *satisfaction of the Tests both before and immediately after such further issue of Covered Bonds; and*
- (iii) *compliance with (a) the requirements of issuing/assigning banks (Requisiti delle banche emittenti e/o cedenti; see Section II, Para. 1 of the BoI OBG Regulations; the “**Conditions to the Issue**”) and (b) the limits to the assignment of further Assets set forth by the BoI OBG Regulations (Limiti alla cessione; see Section II, Para. 2 of the BoI OBG Regulations; the “**Limits to the Assignment**”), if applicable;*
- (iv) *no Article 74 Event (as defined below) having occurred;*
- (v) *no Issuer Event of Default or Covered Bonds Guarantor Event of Default (as defined below) having occurred;*
- (vi) *(1) the Reserve Funds Required Amount, the ATI Commingling Reserve Amount, the CB Swaps Accumulation Amount and the Interest Accumulation Amount (if and to the extent due) have been credited on the Investment Account, on the immediately preceding Guarantor Payment Date or (2) the amounts standing to the credit of the Accounts are sufficient, taking into account the amounts to be paid under points (i) to (iv) of the Pre-Issuer Default Interest Priority of Payments, to constitute the Reserve Funds Required Amount, the ATI Commingling Reserve Amount, the CB Swaps Accumulation Amount and the Interest Accumulation Amount (if and to the extent due), on the next Guarantor Payment Date.*

It is a condition precedent to the issue of Long Dated Covered Bonds that no Series of Covered Bonds which are not Long Dated Covered Bonds are outstanding.

It is a condition precedent to the issue of a Series of Covered Bonds which are not Long Dated Covered Bonds that no Series of Long Dated Covered Bonds are outstanding.

The payment obligations under the Covered Bonds issued under all Series shall be cross-collateralised by all the assets included in the Portfolio, through the Covered Bonds Guarantee (as defined below) (See also Section Ranking of the Covered Bonds).”

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On pages 45 and 46, paragraph “*Eligible Investments*” is replaced as follows (the underlined words show the insertions made):

“*The Cash Manager shall invest funds standing to the credit of the Investment Account in Public Assets and Integration Assets having the following characteristics:*

- (a) *Euro denominated Security rated at least "P-1" by Moody's, which have a maturity of up to 30 calendar days or, if longer, which may be liquidated without loss within 30 days from a downgrade below "P-1" by Moody's, and/or*
- (b) *reserve accounts, deposit accounts, and other similar accounts which qualifies as Integration Assets held with a bank rated at least "P-1" by Moody's,*

provided that any such investments (A) mature (or may be liquidated at no loss) at least 3 Business Days before the next following Guarantor Payment Date, and (B) prior to the delivery

of a Notice to Pay or of an Article 74 Notice to Pay, mature (or may be liquidated at no loss), for a minimum amount equal to the aggregate of the CB Swap Accumulation Amount and the Interest Accumulation Amount, at least 3 Business Days before the following CB Payment Date, and (C) following the delivery of a Notice to Pay or of an Article 74 Notice to Pay, mature (or may be liquidated at no loss) at least 3 business days before the next following CB Payment Date (the “**Eligible Investments**”).”

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On page 46, under paragraph “*Authorised Investments*”, the definition of “*Authorised Investments*” is replaced as follows (the underlined words show the insertions made):

““**Authorised Investments**” means

- (A) *Public Assets and/or Integration Assets consisting of euro denominated Public Securities other than Italian Public Securities, which are rated at least “P-1” by Moody’s*
- (B) *euro demand or time deposits, certificates of deposit and short term bank debt obligations (which qualifies as Integration Assets) held with a bank rated at least “P-1” by Moody’s provided that in all cases such investments mature (or may be liquidated at no loss) within 3 Business Days prior to each Guarantor Payment Date and CB Payment Date.”*

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On page 47, under paragraph “*Pre-Issuer Default Interest Priority of Payment*”, item (iv) of the Pre-Issuer Default Interest Priority of Payment is replaced as follows (the underlined words show the insertions made):

“*fourth, pari passu and pro rata according to the respective amounts thereof (a) to pay any Hedging Senior Payments, other than in respect of principal, due and payable on such Guarantor Payment Date, under the TBG Swaps, (b) to pay any Hedging Senior Payment, other than in respect of principal, due and payable on such Guarantor Payment Date under the CB Swaps or to credit to the Investment Account an amount equal to the CB Swaps Interest Accumulation Amount to be used for Hedging Senior Payments, other than in respect of principal, under the CB Swaps after the relevant Guarantor Payment Date and (c) to credit to the Investment Account an amount equal to the Interest Accumulation Amount, to be used for any interest payment due on the CB Payment Dates falling during the Guarantor Interest Period starting from such Guarantor Payment Date, in respect of any Series of Covered Bonds in relation to which no CB Swaps have been entered into;”*

* * *

On page 48, under paragraph “*Pre-Issuer Default Interest Priority of Payment*”, item (xi) of the Pre-Issuer Default Interest Priority of Payment is replaced as follows (the underlined words show the insertions made):

“*eleventh, to pay pari passu and pro rata, any other amount due and payable to the Seller, the Additional Sellers (if any) or the Issuer under any Transaction Document (other than the Subordinated Loan Agreement);”*

* * *

On page 48 under paragraph “*Pre-Issuer Default Interest Priority of Payment*”, the following definition is inserted before the definition of “*ATI Agent Bank*”:

““**ATI**” means an Associazione Temporanea di Imprese or a Raggruppamento Temporaneo as ruled under Legislative Decree of April 12, 2006, No. 163, as amended and supplemented from time to time, and the relevant implementing regulations.”

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On page 48 under paragraph “*Pre-Issuer Default Interest Priority of Payment*”, the definition of “*ATI Agent Bank*” is replaced as follows (the underlined words show the insertions made):

*“**ATI Agent Bank**” means, in respect of a Loan disbursed by lenders in pool as ATI or Convenzioni in Pool, the bank (other than the Issuer and the Servicer) acting as agent bank for the pool on the basis of an irrevocable mandate (an in rem propriam mandate) granted to it.”*

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On page 48 under paragraph “*Pre-Issuer Default Interest Priority of Payment*”, the definition of “*ATI Agent Remedy Actions*” is replaced as follows (the underlined words show the insertions made):

*“**ATI Agent Remedy Actions**” means that (a) the Asset Percentage has been modified in accordance with the Portfolio Administration Agreement in order to cure an ATI Agent Trigger Event and the Tests are satisfied taking into account such amendment to the Asset Percentage, (b) a guarantee in respect of the relevant ATI Agent Bank’s obligations has been granted by an eligible entity in accordance with the provisions of the Servicing Agreement, (c) the ATI Commingling Reserve Amount has been credited to the Investment Account on the immediately preceding Guarantor Payment Date or (d) the amounts standing to the credit of the Accounts are sufficient, taking into account the amounts to be paid under points (i) to (v) of the Pre-Issuer Default Interest Priority of Payments, to constitute the ATI Commingling Reserve Amount on the next Guarantor Payment Date.”*

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On page 48, under paragraph “*Pre-Issuer Default Interest Priority of Payment*”, the definition of “*ATI Commingling Reserve Amount*” is replaced as follows (the underlined words show the insertions made):

*“**ATI Commingling Reserve Amount**” means, on any date, an amount equal to (a) the peak of the Collections expected to be received during one of the following Collection Periods in respect of the ATI Commingling Affected Portfolio minus (b) the amount of the Reserve Fund Required Amount already credited (or to be credited on the relevant Guarantor Payment Date) on the Investment Account, provided that if the difference between (a) and (b) above is a negative number the ATI Commingling Reserve Amount shall be equal to zero.”*

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On pages 48 and 49, under paragraph “*Pre-Issuer Default Interest Priority of Payment*”, the definition of “*CB Swaps Interest Accumulation Amount*” is replaced as follows (the underlined words show the insertions made):

*“**CB Swaps Interest Accumulation Amount**” means, in relation to any Guarantor Payment Date, (a) for a Series of Covered Bonds with CB Payments Dates falling during the immediately following Guarantor Interest Period, an amount equal to the Due for Payment CB Swap Floating Rate Amount as provided under the relevant CB Swap confirmation (for the avoidance of doubts, taking into account the CB Swap Floating Rate Amount accumulated on the immediately previous Guarantor Payment Date), or (b) in case no CB Payment Dates are falling during the immediately following Guarantor Interest Period, an amount equal to the CB Swap Floating Rate Amount as provided under the relevant CB Swap confirmation.”*

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On page 49, under paragraph “*Pre-Issuer Default Interest Priority of Payment*”, the following definition is inserted after the definition of “*CB Swaps Interest Accumulation Amount*” and before the definition of “*Covered Bonds Guarantor Disbursement Amount*”:

*“**Convenzioni in Pool**” means temporary pools composed by two or more banks other than an ATI.”*

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On page 49, under paragraph “*Pre-Issuer Default Interest Priority of Payment*”, the definition of “*Covered Bonds Guarantor Disbursement Amount*” is replaced as follows (the underlined words show the insertions made):

“**“Covered Bonds Guarantor Disbursement Amount”** means on the Guarantor Payment Date falling on 31 March of each year the difference between: (i) Euro 100,000.00 and (ii) any amount standing to the credit of the Expenses Account on the Calculation Date immediately preceding such Guarantor Payment Date.”

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On page 49, under paragraph “*Pre-Issuer Default Interest Priority of Payment*”, the definition of “*Covered Bonds Guarantor Retention Amount*” is replaced as follows (the underlined words show the insertions made):

“**“Covered Bonds Guarantor Retention Amount”** means on the Guarantor Payment Date falling on 31 March of each year the difference between: (i) Euro 150,000.00 and (ii) any amount standing to the credit of the Corporate Account on the Calculation Date immediately preceding such Guarantor Payment Date.”

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On page 50, under paragraph “*Pre-Issuer Default Interest Priority of Payment*”, the definition of “*Reserve Fund Required Amount*” is replaced as follows (the underlined words show the insertions made):

“**“Reserve Fund Required Amount”** means an amount equal to (a) if a Servicer Downgrading Event has occurred and is continuing, the maximum amount of the Collections expected to be received during the following Collection Periods, or (b) if an Issuer Downgrading Event has occurred and is continuing, the aggregate of items (i), (ii), (iii) and (iv) of the *Pre-Issuer Default Interest Priority of Payments* expected to be paid on the second Guarantor Payment Date following the Calculation Date on which the set up of such reserve is triggered, or (c) if both a Servicer Downgrading Event and an Issuer Downgrading Event have occurred and are continuing, the higher of (a) and (b) above.”

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On pages 50-52, paragraph “*Pre-Issuer Default Principal Priority of Payment*” is replaced as follows (the underlined words show the insertions made):

“On each Guarantor Payment Date, prior to the service of an Article 74 Notice to Pay or a Notice to Pay (or following the withdrawal of an Article 74 Notice to Pay), the Covered Bonds Guarantor will use Principal Available Funds (as defined below) to make payments and provisions in the order of priority set out below (in each case only if and to the extent that payments of a higher priority have been made in full):

- (i) first, to pay any amount due and payable under items (i) to (vi) of the *Pre-Issuer Default Interest Priority of Payment*, to the extent that the Interest Available Funds are not sufficient, on such Guarantor Payment Date, to make such payments in full;
- (ii) second, *pari passu* and *pro rata* according to the respective amounts thereof (a) to pay any Hedging Senior Payment in respect of principal due and payable on such Guarantor Payment Date under the TBG Swaps and (b) to pay any Hedging Senior Payment in respect of principal due and payable on such Guarantor Payment Date under the CB Swaps or to credit to the Investment Account an amount equal to the CB Swaps Principal Accumulation Amount to be used for Hedging Senior Payment under the CB Swaps after the relevant Guarantor Payment Date;
- (iii) third, if the *Pre-Maturity Liquidity Test* is satisfied, *pari passu* and *pro rata* according to the respective amounts thereof, (a) to pay the purchase price of the Public Assets and/or Integration Assets offered for sale by the Seller, the Additional Sellers (if any) or the Issuer in the context of Revolving Assignment in accordance with the provisions of

the Master Transfer Agreement or any amount due to the Seller as purchase price in the context of Revolving Assignment pursuant to the Master Transfer Agreement that was not paid on the previous Guarantor Payment Date, (b) to credit to the Investment Account the Purchase Price Accumulation Amount;

- (iv) fourth, to deposit on the Investment Account any residual Principal Available Funds in an amount sufficient to ensure that taking into account the other resources available to the Covered Bonds Guarantor, the Tests are met;
- (v) fifth, if a Servicer Termination Event has occurred, all residual Principal Available Funds to be credited to the Investment Account until such event of default of the Servicer is either remedied by the Servicer or waived by the Representative of the Covered Bondholders or a new servicer is appointed to service the Portfolio (or the relevant part thereof);
- (vi) sixth, if the Pre-Maturity Liquidity Test or the Tests are not satisfied on the Calculation Date immediately preceding the relevant Guarantor Payment Date or an Issuer Event of Default or a Covered Bonds Guarantor Event of Default has occurred on or prior such Guarantor Payment Date or the Issuer has not paid interest and principal due on the CB Payment Dates in the immediately previous Guarantor Interest Period, to credit all remaining Principal Available Funds to the Investment Account until the following Guarantor Payment Date;
- (vii) seventh, to pay any amount arising out of any termination event under any Swap Agreements not provided for under item (ii) above;
- (viii) eight, to pay pari passu and pro rata any other amount due and payable to the Seller, the Additional Sellers (if any) or the Issuer under any Transaction Document (other than the Subordinated Loan Agreement) not already provided for under item (xi) of the Pre-Issuer Default Interest Priority of Payment;
- (ix) ninth, to pay the amount (if any) due to the Seller as principal redemption under the Subordinated Loan (including as a consequence of “richiesta di rimborso anticipato” as indicated therein) provided that the Tests and the Pre-Maturity Liquidity Test are still satisfied after such payment;

(the “**Pre-Issuer Default Principal Priority of Payment**”).

“**CB Swaps Principal Accumulation Amount**” means, in relation to any Guarantor Payment Date, (a) for a Series of Covered Bonds with a Maturity Date falling during the immediately following Guarantor Interest Period, an amount equal to the principal amount due under the relevant CB Swap confirmation, or (b) for a Series of Covered Bonds with a Maturity Date not falling during the immediately following Guarantor Interest Period, an amount equal to zero.

“**CB Swaps Accumulation Amount**” means the CB Swaps Interest Accumulation Amount and/or CB Swaps Principal Accumulation Amount.

“**Principal Available Funds**” means, with reference to each Guarantor Payment Date, the sum of: (a) any principal payment and any Interest Component of the Purchase Price received during the Collection Period immediately preceding such Guarantor Payment Date, (b) any amounts deriving from sale of the Public Assets, Integration Assets, Eligible Investments and Authorised Investments (without any double counting) received during the Collection Period immediately preceding such Guarantor Payment Date, (c) any principal amount received by the Covered Bond Guarantor as payments under the Swaps Agreements with the exception of any Delivery Amounts (as defined therein) on or prior to the relevant Guarantor Payment Date, (d) any amount received by the Covered Bonds Guarantor from any party to the Transaction Documents during the Collection Period immediately preceding such Guarantor Payment Date and (e) the Purchase Price Accumulation Amount.

“**Collection Period**” means each period comprised between a Collection Date (excluded) and the following Collection Date (included) or, in respect of the first Collection Period, the period

from (and including) the Effective Date of the transfer of the Initial Portfolio and the next following Collection Date (included).

“Collection Date” means 31 January and 31 July of each year, starting from 31 January 2010.

“Definitive Purchase Price of the New Portfolio” has the meaning ascribed to such expression under the Master Transfer Agreement.

“Provisional Purchase Price of the New Portfolio” has the meaning ascribed to such expression under the Master Transfer Agreement.

“Purchase Price Accumulation Amount” means, on any Guarantor Payment Date, an amount equal to (A) the Provisional Purchase Price of the New Portfolio – as determined with reference to a New Portfolio under the relevant offer of transfer – to be used for any payment of the relevant Definitive Purchase Price of the New Portfolio or the Rectified Purchase Price of the New Portfolio during the following Guarantor Interest Period or (B) with reference to the mechanism provided for under Clause 7.1 (Offerta di Cessione) letter (b) of the Master Transfer Agreement, the Definitive Purchase Price of the New Portfolio – as determined with reference to a New Portfolio under the relevant offer of transfer – to be used for any payment of the relevant Definitive Purchase Price of the New Portfolio or the Rectified Purchase Price of the New Portfolio during the following Guarantor Interest Period.

“Rectified Purchase Price of the New Portfolio” has the meaning ascribed to such expression under the Master Transfer Agreement.”

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On pages 52-55, paragraph “Post-Issuer Default Priority of Payment” is replaced as follows (the underlined words show the insertions made):

“Post-Issuer Default Priority of Payment

On each Guarantor Payment Date, following either an Article 74 Notice to Pay (which has not been withdrawn) or an Issuer Event of Default, but prior to the occurrence of a Covered Bonds Guarantor Events of Default, the Covered Bonds Guarantor will use the Available Funds, to make payments and provisions in the order of priority set out below (in each case only if and to the extent that payments of a higher priority have been made in full):

- (i) first, to pay, *pari passu* and *pro rata* according to the respective amounts thereof, any Expenses and taxes, in order to preserve its corporate existence, to maintain it in good standing and to comply with applicable legislation;
- (ii) second, *pari passu* and *pro rata* according to the respective amounts thereof (a) to pay any amount due and payable to the Representative of the Covered Bondholders, the Receivables Collection Account Bank, the Account Bank, the Cash Manager, the Administrative Services Provider, the Calculation Agent, the Asset Monitor, the Portfolio Manager and the Servicer and (b) to credit the Covered Bonds Guarantor Disbursement Amount into the Expenses Account and the Covered Bonds Guarantor Retention Amount into the Corporate Account;
- (iii) third, *pari passu* and *pro rata* according to the respective amounts thereof (a) to pay any Hedging Senior Payment, other than in respect of principal, due and payable on such Guarantor Payment Date, under the TBG Swaps, (b) to pay any Hedging Senior Payment, other than in respect of principal, due and payable on such Guarantor Payment Date under the CB Swaps or to credit to the Investment Account an amount equal to the CB Swaps Interest Accumulation Amount to be used for Hedging Senior Payments, other than in respect of principal, under the CB Swaps after the relevant Guarantor Payment Date and (c) to pay any interest due and payable on such Guarantor Payment Date or to credit to the Investment Account an amount equal to the Interest Accumulation Amount, to be used for any interest payment due on the CB Payment Dates falling during the Guarantor Interest Period starting from such

Guarantor Payment Date, in respect of any Series of Covered Bonds in relation to which no CB Swaps have been entered into;

- (iv) fourth, pari passu and pro rata according to the respective amounts thereof,
 - (a) to pay any Hedging Senior Payment in respect of principal due and payable on such Guarantor Payment Date, under the TBG Swaps;
 - (b) to pay any amount in respect of principal due and payable on each Series of Covered Bonds on each CB Payment Date falling on such Guarantor Payment Date or to credit to the Investment Account any amount in respect of principal to be paid on each CB Payment Dates falling during the Guarantor Interest Period starting from such Guarantor Payment Date; and
 - (c) to pay any Hedging Senior Payment, in respect of principal, due and payable on such Guarantor Payment Date under the CB Swaps or to credit to the Investment Account an amount equal to the CB Swaps Principal Accumulation Amount to be used for Hedging Senior Payments under the CB Swaps during the Guarantor Interest Period starting from such Guarantor Payment Date;
- (v) fifth, to deposit on the Investment Account any residual amount until all Covered Bonds are fully repaid or an amount equal to the Required Redemption Amount for each Series of Covered Bonds outstanding has been accumulated;
- (vi) sixth, to pay, pari passu and pro rata according to the respective amounts thereof, any amount arising out of any termination event under any Swap Agreement not provided for under items (iii) and (iv) above;
- (vii) seventh, to the extent that all the Covered Bonds issued under any Series have been repaid in full or an amount equal to the Required Redemption Amount for each Series of Covered Bonds outstanding has been accumulated, to pay, pari passu and pro rata according to the respective amounts thereof, any other amount due and payable to the Seller, the Additional Sellers (if any) or the Issuer under any Transaction Document (other than the Subordinated Loan Agreement);
- (viii) eighth, to the extent that all the Covered Bonds issued under any Series have been repaid in full or an amount equal to the Required Redemption Amount for each Series of Covered Bonds outstanding has been accumulated, to pay, pari passu and pro rata according to the respective amounts thereof, any amount due as Minimum Interest Amount under the Subordinated Loan;
- (ix) ninth, to the extent that all the Covered Bonds issued under any Series have been repaid in full or an amount equal to the Required Redemption Amount for each Series of Covered Bonds outstanding has been accumulated, to pay, pari passu and pro rata according to the respective amounts thereof, any amount due as principal under the Subordinated Loan;
- (x) tenth, to the extent that all the Covered Bonds issued under any Series have been repaid in full or an amount equal to the Required Redemption Amount for each Series of Covered Bonds outstanding has been accumulated, to pay, pari passu and pro rata according to the respective amounts thereof, any amount due as Premium Interest Amount under the Subordinated Loan.

(the “**Post-Issuer Default Priority of Payments**”).

“**Available Funds**” shall include (a) the Interest Available Funds, (b) the Principal Available Funds and (c) following an Issuer Event of Default, the amounts received by the Covered Bonds Guarantor as a result of any enforcement taken vis-à-vis the Issuer in accordance with Article 4, Paragraph 3, of the MEF Decree (the “**Excess Proceeds**”).

“**Redemption Amount**” means, as the case may be, the Outstanding Principal Balance or the Optional Redemption Amount or the Optional Partial Redemption Amount or such other

amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the relevant Final Terms.”

* * *

On page 55, under paragraph “*Post-Guarantor Default Priority of Payment*”, item (ii) of the Post-Guarantor Default Priority of Payment is replaced as follows (the underlined words show the insertions made):

“*second, to pay, pari passu and pro rata according to the respective amounts thereof, any amounts due and payable to the Representative of the Covered Bondholders, the Receivables Collection Account Bank, the Account Bank, the Cash Manager, the Calculation Agent, the Administrative Services Provider, the Asset Monitor, the Portfolio Manager and the Servicer and to credit an amount up to the Covered Bonds Guarantor Disbursement Amount into the Expenses Account and the Covered Bonds Guarantor Retention Amount into the Corporate Account;*”

* * *

On pages 57 and 58, paragraph “*General Criteria*” is replaced as follows (the underlined words show the insertions made):

“*Each of the Receivables forming part of the Portfolio shall comply with all of the following criteria (the “**General Criteria**”):*

- (i) *Receivables whose debtors or guarantors (pursuant to a “guarantee valid for the purpose of credit risk mitigation” (garanzie valide ai fini della mitigazione del rischio di credito), as defined by Article 1, paragraph 1, lett. h) of the MEF Decree) are (a) public administrations of Admitted States, including therein any Ministries, municipalities (enti pubblici territoriali), national or local entities and other public bodies, which attract a risk weighting factor not exceeding 20 per cent. pursuant to the EC Directive 2006/48 regulation under the “Standardised Approach” to credit risk measurement; (b) public administrations of States other than Admitted States which attract a risk weighting factor equal to 0 per cent. under the “Standardised Approach” to credit risk measurement, municipalities and national or local public bodies not carrying out economic activities (organismi pubblici non economici) of States other than Admitted States which attract a risk weight factor not exceeding 20 per cent. pursuant to the EC Directive 2006/48 regulation under the “Standardised Approach” to credit risk measurement;*
- (ii) *Receivables arising out of Loan Agreements which have been fully disbursed or, only in respect of the Multi-tranche Agreements, the Receivables arising out from each tranche;*
- (iii) *Receivables in respect of which as of the Cut-off Date there are no (a) amounts due and payable to the Seller by the relevant debtors, both as repayment of any instalments and as interest, which have not been paid and (b) events of default or trigger events which have been notified at termination or withdrawal has occurred which may cause the amounts due under the loans or bonds to be reduced;*
- (iv) *Receivables arising out of fixed rate loans or floating rate loans;*
- (v) *Receivables in respect of which the relevant amortisation plan for principal and interest provides for fixed payment dates.*

The term “Loan Agreement” used in these General Criteria is referred to each of the following agreements:

- (a) loan and financing agreements, included loan agreements for a relevant purpose;
- (b) loan and financing agreements “multi-tranche” which provide for disbursement of singles credit lines or tranches which differ each other in the interest rate, the

amortisation plan or the final reimbursement date (hereinafter, the “Multi-tranche Agreements”);

- (c) acknowledgement and consolidation acts or agreements, related to loans disbursed on the basis of a credit opened agreement (contratto di apertura di credito) pursuant to article 205-bis of the Legislative Decree 18 August 2000, n. 267 (also denominated master credit opened agreement), by means of which are ruled, inter alia, interest rate, amortisation plan and the final reimbursement date;
- (d) disbursement and receipt acts or agreements (however denominated) – related to loans disbursed on the basis of a credit opened agreement (contratto di apertura di credito) (however denominated) – by means of which, inter alia, the interest rate, the amortisation plan, the disbursement date and the final reimbursement date are ruled;
- (e) loan and financing agreements (which provide for, inter alia, an indication of loan amount, interest rate, amortisation plan, guarantees, disbursement date and final reimbursement date) on the basis of a plafond made available by means of an adjudication of a competitive bid and/or the relevant agreement, or by means of a specific loan agreement or a treasury agreement (convenzione di tesoreria) (which provide for the disbursement of singles loans up to a predetermined maximum amount (id est a plafond);
- (f) receivables purchase agreements with predetermined principal and interest reimbursement dates or receivables purchase agreements in which the receivables have been settled by means of fixing of principal and interest reimbursement dates.

The term “Receivables” used under points from (i) to (v) of these General Criteria is referred to any receivable arising from a Loan Agreement, also, if the case, renegotiated jointly or separately with other Loan Agreements or, exclusively with reference to Multi-tranche Agreements, the receivables arising from each credit line or tranche which differ each other in the interest rate, the amortisation plan or the final reimbursement date.

The Receivables shall also comply with the Specific Criteria.

“**Specific Criteria**” means the criteria for the selection of the Receivables to be included in the Portfolios to which such criteria are applied, set forth in Annex 2 (I Criteri Specifici) to the Master Transfer Agreement for the Initial Portfolio and in the relevant offer for New Portfolios.

“**Criteria**” means jointly the General Criteria and the Specific Criteria.

“**Cut-off Date**” means: (i) in respect of the Initial Portfolio May 1, 2009 and (ii) in respect of assignment of any New Portfolio, the date indicated in the relevant offer of transfer on which the Receivables and Securities, to be included in the relevant New Portfolio, are identified.”

* * *

On page 62, under paragraph “Subordinated Loan Agreement”, the definition of “Premium Interest Amount” is replaced as follows (the underlined words show the insertions made):

“**Premium Interest Amount**” means:

- (a) prior to the occurrence of an Issuer Event of Default, an amount equal to the algebraic sum of:
 - (i) (+) the amount of Interest Available Funds;
 - (ii) (-) the sum of any amount paid under items from (i) to (xii) of the Pre-Issuer Default Interest Priority of Payment

or

- (b) following to the occurrence of an Issuer Event of Default, an amount equal to the algebraic sum of:
 - (i) (+) the amount of Available Funds;

(ii) (-) the sum of any amount paid under items from under items (i) to (ix) of the Post-Issuer Default Priority of Payments.

or

(c) following the occurrence of a Guarantor Event of Default an amount equal to the algebraic sum of:

(i) (+) the amount of Available Funds;

(ii) (-) the sum of any amount paid under items from under items (i) to (viii) of the Post-Guarantor Default Priority of Payments.”

DESCRIPTION OF THE ISSUER

The information set out below supplements the paragraph “Principal Shareholders” on page 77:

“Principal Shareholders

As of 14 January 2010, the shareholder structure of Intesa Sanpaolo was composed as follows (holders of shares exceeding 2%).

Shareholder	Ordinary shares	% of ordinary shares
Compagnia di San Paolo	1,171,622,725	9.888%
Crédit Agricole S.A	708,822,880	5.982%
Assicurazioni Generali	601,163,955	5.073%
Fondazione C.R. Padova e Rovigo	583,404,899	4.924%
Fondazione Cariplo	554,578,319	4.680%
Ente C.R. Firenze	400,287,395	3.378%
BlackRock Inc. ⁽¹⁾	377,189,444	3.183%
Fondazione C.R. in Bologna ⁽²⁾	323,955,012	2.734%
Carlo Tassara S.p.A.	296,764,457	2.504%

⁽¹⁾ Fund Management.

⁽²⁾ Of which 50,000,000 shares being securities lent to Mediobanca with voting rights held by the lender.”

* * *

The information set out below supplements the paragraph “Recent Events” beginning on page 81:

“Press release issued by Telco S.p.A.

On 11 January, 2010, Telco S.p.A. (“Telco”) published a press release, the full text of which is set out below:

“Telco today executed a €1.3bn loan facility agreement with Intesa Sanpaolo, Mediobanca, Société Générale and Unicredito, which falls due on 31 May 2012 and is guaranteed by a pledge over part of the company’s Telecom Italia shares.

Until the bond referred to above has been issued, Telco’s remaining financial requirements in connection with its debt falling due have been covered by a bridge loan granted by shareholders Telefonica, Intesa Sanpaolo and Mediobanca for approx. €0.9bn and by a bank bridge loan granted by Intesa Sanpaolo and Mediobanca for the remaining approx. €0.4bn.

Under the terms of the €1.3bn loan facility agreement, the lending banks have granted Telco’s shareholders a call option over the Telecom Italia shares that may become available to them as a result of a potential enforcement of the pledge. Exercise of this call option is governed by a separate amendment agreement to the existing agreement between shareholders.”

See also “Press release issued by Telco S.p.A.” below, referring to a press release published on 26 February 2010.

Intesa Sanpaolo: Marco Morelli and Gaetano Micciché appointed General Managers

On 9 February 2010, Intesa Sanpaolo S.p.A. published a press release, an extract of which is set out below:

“Today, the Management Board of Intesa Sanpaolo, chaired by Enrico Salza, has appointed Marco Morelli and Gaetano Micciché General Managers upon proposal by the CEO and Managing Director, Corrado Passera, and with the favourable opinion of the Supervisory Board, chaired by Giovanni Bazoli.

Marco Morelli - currently Deputy General Manager of Banca MPS - will take over as Head of the Banca dei Territori Division and will be serving as Deputy to the CEO, as contemplated in the Articles of Association. Gaetano Micciché will continue as Head of the Corporate and Investment Banking Division. Powers delegated to the CEO and Managing Director remain unchanged.”

Sale-and-purchase agreement of a domestic branch network of the Intesa Sanpaolo Group

On 18 February 2010, Intesa Sanpaolo S.p.A. and Crédit Agricole S.A. published a joint press release, the full text of which is set out below

“Intesa Sanpaolo and Crédit Agricole S.A. have executed an agreement, the terms and conditions of which shall be finalised by 30 June 2010, whereby Crédit Agricole will extend its coverage in Italy as a result of the disposal on the part of the Intesa Sanpaolo Group, at market conditions, of a network of branches mostly operating in geographical areas neighbouring those where Crédit Agricole already has a presence.

The branch network will include 150 to 200 branches and can also be entirely or partially made up of an Intesa Sanpaolo Group subsidiary.

Terms and conditions of the agreement as well as the branch network perimeter will be duly disclosed to the market once finalised.”

Press release issued by Telco S.p.A.

On 26 February 2010, Telco published a press release, the full text of which is set out below:

“Telco today completed the issue of a €1.3bn bond, subscribed for pro-rata by its shareholders. The proceeds have been used to reimburse in full the approx. €0.9bn bridge loan granted by shareholders Telefonica, Intesa Sanpaolo and Mediobanca, and the approx. €0.4bn bank bridge loan granted by Intesa Sanpaolo and Mediobanca. The company’s bank debt therefore has been reduced to €2.1bn.””

* * *

The information set out below supplements the paragraph “Summary Financial Information of the Issuer” beginning on page 83:

“Intesa Sanpaolo: results as at 31 December 2009

On 19 March 2010, Intesa Sanpaolo issued a press release announcing details of the Intesa Sanpaolo Group’s consolidated financial results as at and for the year ended 31 December 2009. Such press release, having previously been published and having been filed with the CSSF, shall be incorporated by reference in and form part of this Supplement. See also “Documents incorporated by reference” below.

The financial information contained in the press release is not derived directly from the Intesa Sanpaolo Group’s audited consolidated annual financial statements and has been reclassified in order to be presented on a basis which the Issuers believe is more consistent with previous year end results. For financial information directly derived from the audited consolidated annual

financial statements of the Intesa Sanpaolo Group as at and for the year ended 31 December 2009, see "Summary Financial Information of the Issuer" below.

Summary Financial Information of the Issuer

The financial information set out below has been derived from the audited consolidated annual financial statements of the Intesa Sanpaolo Group as at and for the year ended on 31 December 2009 (the "2009 Annual Financial Statements") and includes comparative figures as at and for the year ended on 31 December 2008, which have been restated in accordance with International Financial Reporting Standards IFRS 5 and the instructions issued by the Bank of Italy in Circular No. 262/2005, as updated on 18 November 2009. The 2009 Annual Financial Statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS"), as implemented in the European Union by Regulation (EC) No. 1606/2002, and have been audited by Reconta Ernst & Young S.p.A., auditors to Intesa Sanpaolo S.p.A., who issued their audit report on 26 March 2010.

As at the date of this Supplement, the 2009 Annual Financial Statements are available in Italian only. The English version of the 2009 Annual Financial Statements is expected to be published in May 2009. Upon such publication, the Issuer will prepare a further supplement to the Prospectus incorporating the 2009 Annual Financial Statements by reference and submit such further supplement for approval by the CSSF. The Issuer confirms that this Supplement does not contain any information that is inconsistent with the information contained in the 2009 Annual Financial Statements and that there is no information contained in the 2009 Annual Financial Statements but not contained (or incorporated by reference) in this Supplement which is capable of affecting the assessment of the Covered Bonds issued under the Programme.

The financial information below forms only a part of the 2009 Annual Financial Statements and has been translated from the original Italian. The Issuer confirms that such translation is correct, accurate, not misleading and accepts responsibility accordingly.

Declaration of the Officer Responsible for Preparing Intesa Sanpaolo's Financial Reports

Pursuant to paragraph 2 of Article 154-bis of the Financial Law, the officer responsible for preparing Intesa Sanpaolo's financial reports, Ernesto Riva, declares that the accounting information contained in this Supplement corresponds to the company's documentary results, books and accounting records."

INTESA SANPAOLO
CONSOLIDATED ANNUAL BALANCE SHEETS
AS AT 31/12/2009 AND 31/12/2008

ASSETS

Assets	(in millions of euro)	
	31.12.2009	31.12.2008
10. Cash and cash equivalents	8,412	7,835
20. Financial assets held for trading	69,825	61,080
30. Financial assets designated at fair value through profit and loss	21,965	19,727
40. Financial assets available for sale	35,895	29,083
50. Investments held to maturity	4,561	5,572
60. Due from banks	43,242	56,371
70. Loans to customers	374,033	395,189
80. Hedging derivatives	7,008	5,389
90. Fair value change of financial assets in hedged portfolios (+/-)	69	66
100. Investments in associates and companies subject to joint control	3,059	3,230
110. Technical insurance reserves reassured with third parties	38	40
120. Property and equipment	5,291	5,255
130. Intangible assets	25,789	27,151
of which		
- goodwill	18,838	19,694
140. Tax assets	7,320	7,495
a) current	2,072	2,752
b) deferred	5,248	4,743
150. Non-current assets held for sale and discontinued operations	6,552	1,135
160. Other assets	11,785	11,515
Total Assets	624,844	636,133

INTESA SANPAOLO
CONSOLIDATED ANNUAL BALANCE SHEETS
AS AT 31/12/2009 AND 31/12/2008
LIABILITIES AND SHAREHOLDERS' EQUITY

	'(in millions of eu)	
Liabilities and Shareholders' Equity	31.12.2009	31.12.2008
10. Due to banks	43,369	51,745
20. Due to customers	210,814	217,498
30. Securities issued	185,243	188,280
40. Financial liabilities held for trading	42,249	45,870
50. Financial liabilities designated at fair value through profit and loss	25,887	25,119
60. Hedging derivatives	5,179	5,086
70. Fair value change of financial liabilities in hedged portfolios (+/-)	1,513	1,236
80. Tax liabilities	2,965	4,461
a) current	841	1,607
b) deferred	2,124	2,854
90. Liabilities associated with non-current assets held for sale and discontinued operations	9,723	1,021
100. Other liabilities	15,755	20,046
110. Employee termination indemnities	1,374	1,487
120. Allowances for risks and charges	3,420	3,982
a) post employment benefits	512	504
b) other allowances	2,908	3,478
130. Technical reserves	23,582	20,248
140. Valuation reserves	-430	-1,412
150. Reimbursable shares	-	-
160. Equity instruments	-	-
170. Reserves	10,565	8,075
180. Share premium reserve	33,102	33,102
190. Share capital	6,647	6,647
200. Treasury shares (-)	-8	-11
210. Minority interests (+/-)	1,090	1,100
220. Net income (loss)	2,805	2,553
Total Liabilities and Shareholders' Equity	624,844	636,133

INTESA SANPAOLO
CONSOLIDATED ANNUAL STATEMENTS OF INCOME
FOR THE YEARS ENDED 31/12/2009 AND 31/12/2008

	'(in millions of euro)	
	31.12.2009	31.12.2008
10. Interest and similar income	19,607	27,383
20. Interest and similar expense	-8,370	-15,034
30. Interest margin	11,237	12,349
40. Fee and commission income	6,141	6,543
50. Fee and commission expense	-1,186	-1,216
60. Net fee and commission income	4,955	5,327
70. Dividend and similar income	479	704
80. Profits (Losses) on trading	855	-1,329
90. Fair value adjustments in hedge accounting	-41	-143
100. Profits (Losses) on disposal or repurchase of	316	46
a) loans	-16	-50
b) financial assets available for sale	320	80
c) investments held to maturity	-	-
d) financial liabilities	12	16
110. Profits (Losses) on financial assets and liabilities designated at fair value	81	6
120. Net interest and other banking income	17,882	16,960
130. Net losses / recoveries on impairment	-3,711	-3,270
a) loans	-3,448	-2,433
b) financial assets available for sale	-256	-963
c) investments held to maturity	-	-
d) other financial activities	-7	126
140. Net income from banking activities	14,171	13,690
150. Net insurance premiums	6,579	1,773
160. Other net insurance income (expense)	-7,251	-1,575
170. Net income from banking and insurance activities	13,499	13,888
180. Administrative expenses	-9,615	-10,474
a) personnel expenses	-5,788	-6,358
b) other administrative expenses	-3,827	-4,116
190. Net provisions for risks and charges	-330	-365
200. Net adjustments to / recoveries on property and equipment	-413	-431
210. Net adjustments to / recoveries on intangible assets	-771	-1,738
220. Other operating expenses (income)	519	645
230. Operating expenses	-10,610	-12,363
240. Profits (Losses) on investments in associates and companies subject to joint control	561	176
250. Valuation differences on property, equipment and intangible assets measured at fair value	-	-
260. Goodwill impairment	-	-1,065
270. Profits (Losses) on disposal of investments	5	203
280. Income (Loss) before tax from continuing operations	3,455	839
290. Taxes on income from continuing operations	-686	656
300. Income (Loss) after tax from continuing operations	2,769	1,495
310. Income (Loss) after tax from discontinued operations	169	1,187
320. Net income (loss)	2,938	2,682
330. Minority interests	-133	-129
340. Parent Company's net income (loss)	2,805	2,553
Basic EPS - Euro	0.22	0.20
Diluted EPS - Euro	0.22	0.20

DESCRIPTION OF THE SELLER

The information set out below supplements the paragraph “*Board of Directors*” on page 91:

“*Board of Directors*”

<i>Chairman</i>	<i>Mario Mauro</i>
<i>Chief Executive Officer</i>	<i>Mario Ciaccia</i>
<i>Directors</i>	<i>Giovanni Azzaretti</i>
	<i>Vincenzo De Stasio</i>
	<i>Paolo Fumagalli</i>
	<i>Piero Luongo</i>
	<i>Francesco Piero Lussignoli</i>
	<i>Bruno Mazzola</i>
	<i>Alberto Pacifici</i>
	<i>Giuliano Segre</i>
	<i>Flavio Venturini”</i>
	* * *

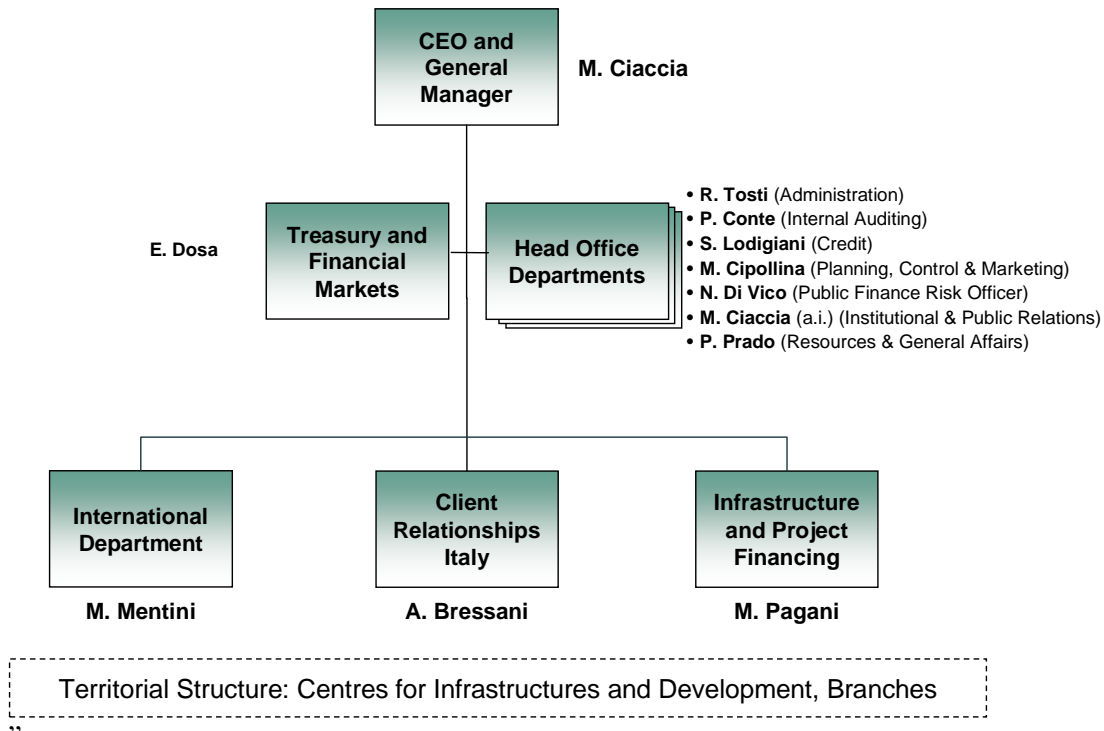
The information set out below supplements the paragraph “*Board of Statutory Auditors*” beginning on page 91:

“*Board of Statutory Auditors*”

<i>Chairman</i>	<i>Carlo Sarasso</i>
<i>Auditors</i>	<i>Pierluigi Benigno</i>
	<i>Carlo Maria Bertola</i>
<i>Deputy Auditors</i>	<i>Francesca Monti</i>
	<i>Paolo Giulio Nannetti”</i>
	* * *

The information set out below supplements the paragraph “*Management*” beginning on page 92:

“A customer-oriented organisation:



* * *

The information set out below supplements the paragraph “*Selected financial information*” on page 93:

“*The financial information set out below has been extracted from the audited annual financial statements of BIIS as at and for the year ended 31 December 2009 (the “BIIS Annual Report 2009”) and includes comparative figures as at and for the year ended on 31 December 2008, which have been restated in accordance with the instructions issued by the Bank of Italy in Circular No. 262/2005, as updated on 18 November 2009 (instead of the financial information concerning the year ended 31 December 2008, published in the Base Prospectus, taken out from the reclassified tables of BIIS). The BIIS Annual Report 2009 has been prepared in accordance with the International Reporting Standards (“IFRS”), as implemented in the European Union by Regulation (EC) No. 1606/2002, and has been audited by Reconta Ernst & Young S.p.A., auditors to BIIS S.p.A., who issued their audit report on 22 March 2010.*”

Balance sheet

	(in euro)	
Assets	31.12.2009	31.12.2008
10. Cash and cash equivalents	99,025	167,095
20. Financial assets held for trading	561,264,284	1,084,712,882
30. Financial assets at fair value through profit and loss	-	-
40. Financial assets available for sale	2,102,152,139	3,014,112,073
50. Investments held to maturity	-	-
60. Due from banks	5,262,570,328	2,992,556,027
70. Loans to customers	38,823,810,378	37,098,307,932
80. Hedging derivatives	102,725,254	357,321,522
90. Fair value change of financial assets in hedged portfolios (+/-)	1,680,838	789,508
100. Equity investments	5,582,402	51,911
110. Property and equipment	7,075,563	1,932,693
120. Intangible assets	164,761	108,872
of which		
- goodwill	-	-
130. Tax assets	129,557,908	143,067,656
a) current	41,067,335	25,598,147
b) deferred	88,490,573	117,469,509
140. Non-current assets held for sale and discontinued operations	-	-
150. Other assets	591,181,143	283,652,493
Total Assets	47,587,864,023	44,976,780,664

		(in euro)	
Liabilities and Shareholders' Equity		31.12.2009	31.12.2008
10.	Due to banks	39,575,433,427	37,640,412,973
20.	Due to customers	2,620,402,436	2,088,305,549
30.	Securities issued	1,587,758,961	1,869,498,255
40.	Financial liabilities held for trading	564,723,607	1,072,056,762
50.	Financial liabilities at fair value through profit and loss	-	-
60.	Hedging derivatives	1,382,860,163	1,131,886,654
70.	Fair value change of financial liabilities in hedged portfolios (+/-)	-	-
80.	Tax liabilities	120,570,759	105,122,749
	<i>a) current</i>	20,074,975	19,897,269
	<i>b) deferred</i>	100,495,784	85,225,480
90.	Liabilities associated with non-current assets held for sale and discontinued operations	-	-
100.	Other liabilities	764,227,600	323,417,372
110.	Employee termination indemnities	4,696,245	5,076,507
120.	Allowances for risks and charges	6,198,068	6,368,442
	<i>a) post employment benefits</i>	-	-
	<i>b) other allowances</i>	6,198,068	6,368,442
130.	Valuation reserves	-236,809,009	-365,213,246
140.	Reimbursable shares	-	-
150.	Equity instruments	-	-
160.	Reserves	753,548,647	706,219,547
170.	Share premium reserve	-	-
180.	Share capital	346,300,000	346,300,000
190.	Treasury shares (-)	-	-
200.	Net income (loss)	97,953,119	47,329,100
Total Liabilities and Shareholders' Equity		47,587,864,023	44,976,780,664

Income statement

		(in euro)	
		2009	2008
10	Interest and similar income	1,445,926,051	2,140,216,870
20	Interest and similar expense	-1,092,460,189	-1,870,898,674
30	Interest margin	353,465,862	269,318,196
40	Fee and commission income	35,384,855	51,816,757
50	Fee and commission expense	-11,724,270	-7,759,854
60	Net fee and commission income	23,660,585	44,056,902
70	Dividend and similar income	374,991	588,279
80	Profits (Losses) on trading	14,442,960	-28,696,709
90	Fair value adjustments in hedge accounting	-29,390,760	29,142,599
100	Profits (Losses) on disposal or repurchase of	1,724,047	8,472,682
	<i>a) loans</i>	1,327,036	9,388,126
	<i>b) financial assets available for sale</i>	397,011	-915,444
	<i>c) investments held to maturity</i>	-	-
	<i>d) financial liabilities</i>	-	-
110	Profits (Losses) on financial assets and liabilities designated at fair value	-	-
120	Net interest and other banking income	364,277,685	322,881,950
130	Net losses / recoveries on impairment	-147,399,962	-137,205,250
	<i>a) loans</i>	-147,778,538	-136,913,799
	<i>b) financial assets available for sale</i>	-	-500,000
	<i>c) investments held to maturity</i>	-	-
	<i>d) other financial activities</i>	378,576	208,549
140	Net income from banking activities	216,877,723	185,676,701
150	Administrative expenses	-64,306,035	-73,962,957
	<i>a) personnel expenses</i>	-36,877,992	-30,494,187
	<i>b) other administrative expenses</i>	-27,428,043	-43,468,770
160	Net provisions for risks and charges	-2,048,634	-1,166,325
170	Net adjustments to / recoveries on property and equipment	-10,288	-9,196
180	Net adjustments to / recoveries on intangible assets	-63,162	-52,865
190.	Other operating expenses (income)	5,779,660	2,029,667
200	Operating expenses	-60,648,459	-73,161,676
210	Profits (Losses) on equity investments	-	-
220	Valuation differences on property, equipment and intangible assets measured at fair value	-	-
230.	Goodwill adjustments	-	-
240.	Profits (Losses) on disposal of investments	-	365,000
250	Income (Loss) before tax from continuing operations	156,229,264	112,880,024
260	Taxes on income from continuing operations	-58,276,145	-65,550,924
270	Income (Loss) after tax from continuing operations	97,953,119	47,329,100
280	Income (Loss) after tax from discontinued operations	-	-
290	Net income (loss)	97,953,119	47,329,100

DESCRIPTION OF THE COVERED BONDS GUARANTOR

On page 95, first paragraph of Section “*Financial Information concerning the Covered Bonds Guarantor’s Assets and Liabilities, Financial Position, and Profits and Losses*” is amended as follows (the underlined words show the insertions made):

“*Set out below, under the section “Financial Statements”, there is summary financial information of the Covered Bonds Guarantor, derived from the statutory financial statements of the Covered Bonds Guarantor as at and for the year ended 31 December 2009, prepared in accordance with IAS/IFRS Accounting Standards principles in respect of which an audited report has been delivered by Reconta Ernst and Young S.p.A. on 5 March 2010. Such financial statements, together with the report of Reconta Ernst and Young S.p.A. and the accompanying notes, are incorporated by reference into this Base Prospectus. The financial information below should be read in conjunction with, and is qualified in its entirety by reference to, such financial statements, reports and the notes thereto. See “Documents incorporated by reference”*”

* * *

On page 96, paragraph “*Auditors*” is amended as follows (the underlined words show the insertions made):

“*Reconta Ernst and Young S.p.A., which is also a member of Assirevi, the Italian association of auditing firms, has been appointed to perform the audit of the financial statements of the Covered Bonds Guarantor as at and for year 2009. Copies of the financial statements of the Covered Bonds Guarantor for each financial year could be inspected and obtained free of charge during usual business hours at the specified offices of the Administrative Services Provider and the Luxembourg Listing Agent.*”

* * *

The information set out below supplements the paragraph “*Financial Statements*” on page 96:

“*Balance sheet*”

		(amounts in euro)	
Assets		31/12/2009	31/12/2008
60. Loans		236,669	52,766
120. Tax assets:			
a) current		1,379	829
b) deferred		7,328	-
140. Other assets		5	7
TOTAL ASSETS		245,381	53,602

		31/12/2009	31/12/2008
Liabilities and quotaholders' equity			
70. Tax liabilities:			
a) current		-	2,568
90. Other liabilities		104,909	21,113
120. Quota capital		120,000	70,000
180. Net income		20,472	-40,079
TOTAL LIABILITIES AND QUOTAHOLDERS' EQUITY		245,381	53,602

Income statement

	(amounts in euro)	
	2009	2008
10. Interest and similar income	2,037	3,071
INTEREST MARGIN	2,037	3,071
40. Fee and commission expense	-184	-114
NET FEE AND COMMISSION EXPENSE	-184	-114
TOTAL INCOME	1,853	2,957
110. Administrative expenses:		
a) personnel expenses	-38,312	-16,013
b) other administrative expenses	-100,397	-27,023
160. Other operating income	150,000	-
OPERATING MARGIN	13,144	-40,079
INCOME (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	13,144	-40,079
190. Taxes on income from continuing operations	7,328	-
INCOME (LOSS) AFTER TAX FROM CONTINUING OPERATIONS	20,472	-40,079
NET INCOME (LOSS)	20,472	-40,079

”

* * *

On page 97, paragraph “*Documents on Display*” is amended as follows (the underlined words show the insertions made):

“*For the life of the Base Prospectus the following documents may be inspected at the specified offices of the Administrative Services Provider and the Luxembourg Listing Agent:*

- a) *the memorandum and articles of association of the Covered Bonds Guarantor;*
- b) *Covered Bonds Guarantor audited annual financial statements in respect of the year ended on 31 December 2008 and 31 December 2009;*
- c) *Independent Auditor’s report in respect of the Covered Bonds Guarantor’s annual financial statements for the year ended on 31 December 2009;*
- d) *all reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Covered Bonds Guarantor’s request any part of which is included or referred to in the registration document;*
- e) *the historical financial information of the Covered Bonds Guarantor or, in the case of a group, the historical financial information of the Covered Bonds Guarantor and its subsidiary undertakings for each of the two financial years preceding the publication of the registration document.”*

DESCRIPTION OF THE INITIAL PORTFOLIO – COLLECTION AND RECOVERY PROCEDURES

On pages 104 and 105, under Section “B – COLLECTION AND RECOVERY PROCEDURES”, paragraph “1. Collection procedures” is replaced as follows:

“Through its own collection procedure, BIIS carries out all the transactions aimed at the collection of the amounts due in respect of the loans granted or the supply of services.

Such activity, upon the development of the organization model by the parent company for such kind of services, is carried out “in service” by the Direzione Servizi Operativi – Finanziamenti MLT of Intesa Sanpaolo Group Services which centralizes all the activities of Middle and Back Office of Intesa Sanpaolo Group. In any case, the particular nature of the transactions managed by BIIS have suggested the establishment in the “Direzione Amministrazione” office of BIIS, of an office aimed at providing coordination, interface and protection in respect of the process needs.

Depending on the product to which the amounts to be collected are referred, it is possible to lay down below the following collection and invoicing procedures.

In particular, for loans, liquidity line agreements (short / medium-long term) and revolving, Direzione Servizi Operativi – Finanziamenti MLT of Intesa Sanpaolo Group Services, sends, at any payment date, payment notice with respect to the relevant installment to the borrower, or to the different entity responsible for the payment, if any, and, in the case of pool lending, a notice to the other lenders providing for the indication of the relevant quota. For floating rate transactions, the aforesaid payment notice is preceded by the communication of the current rate, calculated by means of an automatic re-pricing procedure.

Two different procedures for the arrangement and delivery of the payment notice shall be applied, depending on the party in charge for the payment:

- (i) Public Administration: the payment notice is arranged and sent manually (by means of registered letter) because of the particular nature of the underlying loan transaction. The payment notice shall contain a detailed description of the installment calculation and the administrative unit exclusively responsible for the relevant payment. For loans for which a fixed public budget for the repayment of the installment is provided, the payment notice shall contain an indication of the debt still outstanding and of the residual budget.*

The delivery of the payment notice is carried out between 90 and 60 day prior to the relevant payment date, in accordance with contractual provisions or the preferences of the entities responsible for the payment.

- (ii) Other entities: where another entity is responsible for the payment, the payment notice is automatically sent through the electronic mail transmission service (Systema), about 60 to 45 days prior to the payment date. Contracts which provide for specific provisions regarding the timing for the delivery of the payment notice, similar to those applied to the Public Administration, are not subject to the procedure described above.*

Failure in delivery or receipt of the payment notice will not relieve the borrower of the payment obligation vis-à-vis BIIS.

The collections shall pass through the BI-REL system and be credited to BIIS’ account at Intesa Sanpaolo’s branch of Rome EUR, on transitory accounts to be designated by the Direzione Servizi Operativi – Finanziamenti MLT di Intesa Sanpaolo Group Services: whether the information necessary for the identification of the relevant loan/client are expressed in the payment documents, the reconciliation is automatic (fully automatic if the amount to be collected is referred to the installment due in connection with only one transaction; partially automatic, if the amount to be collected relates to different installments due in the context of several transactions), except for payment of a considerable amount, to be paid by Ministries

through the Bank of Italy, or in cases of breach of the instructions provided for the payment to the client, in which case the reconciliation is manual.

At the end of the process, any delay in payment is to be pointed out and, where necessary, the relevant recovery procedures will commence.”

* * *

On page 106, under Section “B – COLLECTION AND RECOVERY PROCEDURES”, paragraph “3. Classification of Receivable Overdue” is replaced as follows (the underlined words show the insertions made):

“3. **Classification of Receivable Overdue**

The regulation “Facoltà in Ordine alla Gestione del Credito” defines the following categories of perishable assets:

- “**Risks to Observation**” (*Rischi in Osservazione*): counterparties for which the management is aimed at the deletion of anomalies in view of the prosecution of commercial relation. This state is referred to all situation characterized by “Negative Symptoms”.
- “**Excess**” (*Sconfino*): entire exposure (arsing out of loans, current account, etc.) towards a debtor (other than a receivable considered a *Delinquent Asset, Defaulted Claim or Restructured Asset*) in respect of overdue receivables, not redeemed and/or outstanding for a period longer than 90/180 consecutive days.
- “**Delinquent Asset** (*Incaglio*): entire exposure (loans, bank guarantees, etc.) towards an entity in a temporary situation of objective difficulty (*temporanea situazione di obiettiva difficoltà*), that is foreseeable to be resolved in a definable period of time, other than by calling upon any eventually provided guarantees (whether personal or real). In any event, the so-called “*Incagli Oggettivi*” being an exposure vis-à-vis a counterparty that in accordance with the conditions provided for by the supervisory authority, has been qualified as delinquent in Central Record of Accounts (*Matrice dei Conti*) but remains classified an “*in bonis*” pursuant to the internal procedures of BIIS, have to be included.
- “**Defaulted Asset**” (*Sofferenza*): entire cash exposure towards an insolvent entity (even not judicially confirmed) or in similar situations, independently by eventual losses predictions made by BIIS. In such event, any real or personal guarantees assisting such loan have to be disregarded.
- “**Restructured Assets**” (*Esposizioni Ristrutturate*): exposure for which a bank (or a pool of banks) allows the amendments of the initial contractual provisions following the occurrence or confirmation of a deterioration of the economical or financial conditions of the debtor (for instance, re-formulation of the terms, reduction of the debt and/or interest) which would otherwise cause a loss.

3.1 Distribution of powers

The powers in respect of the management of the Receivables are distributed as follows (maximum limits authorized for any single client):

- (a) authorizing rectification of the loan amount for a maximum amount of:
 - CEO and General Manager – Euro 10,000,000
 - Credit Committee – Euro 8,000,000
 - Head of Credit Department – Euro 2,500,000
- (b) authorizing irrecoverable credit writing-off and transaction causing cash or non-cash collection (such collections are referred exclusively to collection implying the

assumption of the obligation (accollo liberatorio)) conditional upon the writing-off (gross amount of the position, less the foreseen collection, including any financial effect updated with return plan/moratorium) does not exceed the following amounts:

- *CEO and General Manager – Euro 5,000,000*
- *Credit Committee – Euro 3,500,000*
- *Head of Credit Department – Euro 1,000,000*

** * **

On page 114, under Section “*B – COLLECTION AND RECOVERY PROCEDURES*”, paragraph “*7. Securities Collection Management*” is replaced as follows:

“7.1 Securities Collection Management

7.1.1 Collections on the Principal Securities Collection Account and on the Interest Securities Collection Account

On the basis of the payment instructions originally given to the Debtors, all principal redemption amounts, interest payments and any other amounts due for any reason in relation to the Securities will be credited by Monte Titoli or Clearstream (as the case may be) to the custodian bank in favour of the securities account opened and maintained in the name of the Covered Bonds Guarantor, through the specific segregated liquidator account, properly opened with Monte Titoli or Clearstream. The custodian bank automatically and promptly pays the amounts collected as follows:

- *any principal amount to the Principal Securities Collection Account; and*
- *any interest amount to the Interest Securities Collection Account*

(jointly, the “Securities Collection Account”)

in accordance with the Cash, Management and Agency Agreement.

7.1.2 Further payments

In the case in which, for any reason, the Servicer receives any collections, the Servicer shall carry out the reconciliation of the amounts received within 20 (twenty) days from the receipt of such amount by the Debtors and credit to the relevant Collection Account, in respect of principal and interest, such sums received and reconciled within 3 (three) Business Day following the reconciliation of such amounts and with value on account corresponding to the collection date by the Servicer.

7.2 Collection payment verification and report of the Securities Collection Account flows

7.2.1 Collection verification

Further to any payment date of each Security, as set forth under the relevant Security documents, the Servicer will verify that the amounts due as principal, interest or for any other reason due in relation to each Security have been credited on the relevant Security Collection Account, in respect of principal and interest, with value on account corresponding to the relevant payment date of each Securities, as set forth under the relevant Security documents.

7.2.2 Payment Report

The Servicer undertakes to promptly upon request deliver to the Covered Bonds Guarantor, the Representative of the Covered Bondholders and the Calculation Agent, the Account Bank Report complete, exact and precise of all flows with reference to the Securities Collection Accounts and the Interest Securities Collection Account as of the immediately preceding calendar month and, broadly, the documents concerning the collections, as well as to give evidence of the transfer of such amount on the relevant Collection Account, in accordance with the procedures previously agreed with the Covered Bonds Guarantor.

7.3 Defaulted Securities – Monitoring of events of default

The Servicer shall monitor on a continuing basis financial performance of the Securities and the fulfillments of the Debtors' obligations in respect of the Securities, and shall apply to the Securities the same procedures set forth for the Receivables under articles 3 and 4 of this Collection and Recovery Procedures."

CREDIT STRUCTURE

On page 117, under paragraph “Tests”, the definition of “Amortisation Test Adjusted Eligible Portfolio” is replaced as follows:

“**Amortisation Test Adjusted Eligible Portfolio**” means an amount equal to:

$EP - Z$

where:

EP means the Outstanding Principal Balance of the Eligible Portfolio

$Z =$ (the weighted average number of days to maturity of the outstanding Series of Covered Bonds/365) multiplied by the Euro Equivalent of the outstanding Covered Bonds multiplied by N

where

$N =$ Negative Carry Factor.”

* * *

On page 117, under paragraph “Tests”, the definition of “Annual Interest Payments” is replaced as follows (the underlined words show the insertions made):

“**Annual Interest Payments**” means, as of a Calculation Date or any other relevant date and with reference to each of the three following Guarantor Interest Periods an amount equal to the aggregate of (a) expected interest payments (or the Euro Equivalent of the expected interest payments) in respect of the outstanding Series of Covered Bonds (other than floating rate Covered Bonds) and (b) Expected Floating Payments in respect of interest on floating rate Covered Bonds.”

* * *

On page 117, under paragraph “Tests”, the definition of “Annual Net Interest Collections from the Eligible Portfolio” is replaced as follows (the underlined words show the insertions made):

“**Annual Net Interest Collections from the Eligible Portfolio**” means, as of a Calculation Date or any other relevant date and with reference to each of (x) the three following Guarantor Payment Dates or (y) the three following Guarantor Interest Periods and (z) the relevant Collection Periods (as the case may be) an amount equal to the difference between (i) the sum of (a) interest payments (or the Euro Equivalent of the interest payments) from the Fixed Component of the Eligible Portfolio, payments and Expected Floating Payments in respect of interest from the Floating Component of the Eligible Portfolio received or expected to be received, (b) any amount expected to be received by the Covered Bonds Guarantor as payments under the TBG Swaps (which are not Excluded Swaps), (c) with reference to Covered Bonds with semi-annual CB Payment Dates, any amount (or the Euro Equivalent of any amount) expected to be received by the Covered Bonds Guarantor as payments under the CB Swaps (which are not Excluded Swaps), (d) with reference to Covered Bonds with annual CB Payment Dates, the amount (or the Euro Equivalent of the amount) to be received annually by the Covered Bonds Guarantor as payment under the CB Swaps (which are not Excluded Swaps); and (ii) the payments (or the Euro Equivalent of the payments) to be effected in accordance with the relevant Priority of Payments, by the Covered Bonds Guarantor in priority to, and including, payments under the Swap Agreements (which are not Excluded Swaps). For the avoidance of doubt, items under (i) (a) above shall include interest expected to be received from the investment, into Eligible Investments and Authorised Investments, of principal collections arising from the expected amortisation of the Eligible Portfolio.”

* * *

On page 118, under paragraph “Tests”, the definition of “Defaulted Asset” is replaced as follows (the underlined words show the insertions made):

“**Defaulted Asset**” means Receivables which have been classified by the Servicer on behalf of the Covered Bonds Guarantor as Crediti in Default and/or the Securities which have been classified by the Servicer on behalf of the Covered Bonds Guarantor as Defaulted Securities.”

* * *

On page 118, under paragraph “Tests”, the definition of “Defaulted Securities” is replaced as follows:

“**Defaulted Securities**” means (i) any Securities classified as “in sofferenza” in compliance with the Collection Policies, as interpreted and applied in compliance with the BoI Regulations and in accordance with principles governing the prudential administration of the Receivables and with the maximum standard of diligenza professionale and (ii) the Securities that may be considered as “in default” in accordance with the provisions of the respective Relevant Securities Documents and (iii) the Delinquent Securities for more than 30 Business Days starting from the maturity date provided for under the respective Relevant Securities Documents (for the avoidance of doubts, in this latter case both Securities in respect of which the respective Relevant Securities Documents provide for the classification as in “default” for non payment for more than 30 Business Days and Securities in respect of which no particular term is provided for under the respective Relevant Securities Documents could be classified as Defaulted Securities).”

* * *

On page 118, under paragraph “Tests”, the definition of “Earliest Maturing Covered Bonds” is replaced as follows (the underlined words show the insertions made):

“**Earliest Maturing Covered Bonds**” means at any time the Series of the Covered Bonds that have the earliest Maturity Date (if the relevant Series of Covered Bonds is not subject to an Extended Maturity Date) or the earliest Extended Maturity Date (if the relevant Series of Covered Bonds is subject to an Extended Maturity Date).”

* * *

On page 119, under paragraph “Tests”, the following definition is inserted after the definition of “Floating Component of the Eligible Portfolio” and before the definition of “Guarantor Interest Period”:

“**Guarantee**” means any guarantee valid in order to mitigate the credit risk (garanzie valide ai fini della mitigazione del rischio di credito), pursuant to article 4 of the MEF Decree and any other guarantee of any type, including personal guarantee and security over asset, irrevocable payment delegation (delegazione di pagamento) given pursuant to Article 206, of Legislative Decree no. 267 of 18 August 2000 (or any other provision existing before the Legislative Decree no. 267 of 18 August 2000 was in force) and orders of payment (mandati di pagamento) or irrevocable payment delegations given in accordance with regional laws, guaranteed in favour of BIIS, as well as irrevocable payment delegations or debit delegations given in favour of the Seller in accordance with articles 1268 and following of Italian civil code and collection delegations (deleghe all’incasso) in favour of the Seller or any other existing event in order to ensure or guarantee (i) payments of Receivables and Securities and (ii) the fulfilment of the obligations arising from Loan Agreements and Securities.”

* * *

On page 119, under paragraph “Tests”, the definition of “Negative Carry Factor” is replaced as follows (the underlined words show the insertions made):

“**Negative Carry Factor**” means 0.50% as long as the Issuer’s rating is equal to or higher than A2. If the Issuer is downgraded below A2, it shall be equal to the algebraic difference, if positive, between (i) (a) the WA Swap Margin paid by the Covered Bonds Guarantor to the CB Hedging Counterparty under the CB Swaps or, absent such CB Swaps, (b) the WA CB Margin or (c) a combination of (a) and (b), and (ii) the 6-Month Euribor Equivalent Margin.”

* * *

On page 119, under paragraph “Tests”, the definition of “Net Interest Collections from the Eligible Portfolio” is replaced as follows (the underlined words show the insertions made):

“**Net Interest Collections from the Eligible Portfolio**” means, as of a Calculation Date or any other relevant date with reference to all (x) following Guarantor Payment Dates, (y) relevant Collection Periods, and (z) relevant Guarantor Interest Periods (as the case may be), up to the last Maturity Date or Extended Maturity Date, as the case may be, an amount equal to the difference between (i) the sum of (a) interest payments (or the Euro Equivalent of the interest payments) from the Fixed Component of the Eligible Portfolio, payments and Expected Floating Payments in respect of interest from the Floating Component of the Eligible Portfolio received or expected to be received, (b) any amount expected to be received by the Covered Bonds Guarantor as payments under the TBG Swaps (which are not Excluded Swaps), (c) any amount (or the Euro Equivalent of any amount) expected to be received by the Covered Bonds Guarantor as payments under the CB Swaps (which are not Excluded Swaps); and (ii) the payments (or the Euro Equivalent of the payments) to be effected in accordance with the relevant Priority of Payments, by the Covered Bonds Guarantor in priority to, and including, payments under the Swap Agreements (which are not Excluded Swaps). For the avoidance of doubt, items under (i) (a) above shall include interest expected to be received from the investment, into Eligible Investments and Authorised Investments, of principal collections arising from the expected amortisation of the Eligible Portfolio.”

* * *

On page 120, under paragraph “Tests”, the definition of “Net Present Value of the Eligible Portfolio” is replaced as follows (the underlined words show the insertions made):

“**Net Present Value of the Eligible Portfolio**” means at any date an amount equal to the algebraic sum of (i) the product of (a) each relevant Discount Factor and (b) expected principal and interest payments (or the Euro Equivalent of expected principal and interest payments) from the Fixed Component of the Eligible Portfolio and Expected Floating Payments in respect of principal and interest from the Floating Component of the Eligible Portfolio, (ii) the product of (c) each relevant Discount Factor and (d) expected payments to be received or to be effected by the Covered Bonds Guarantor under or in connection with the TBG Swaps and the CB Swaps (which are not Excluded Swaps), (iii) the product of (e) each relevant Discount Factor and (f) any amount (or the Euro Equivalent of any amount) expected to be paid by the Covered Bonds Guarantor in priority to the TBG Swaps and the CB Swaps payments, in accordance with the relevant Priorities of Payments and (iv) any sum standing to the credit of the Accounts (other than the Expenses Account, the Corporate Account and the Quota Capital Account), for the avoidance of doubts, without any double counting with the Integration Assets, Eligible Investments and Authorised Investments included in point (i) above.”

* * *

On page 120, under paragraph “Tests”, the definition of “OC Adjusted Eligible Portfolio” is replaced as follows (the underlined words show the insertions made):

“**OC Adjusted Eligible Portfolio**” means an amount equal to:

$$A + B + C + D + E - Z$$

where:

- $A = PA * P$

where

PA = the Outstanding Principal Balance of Public Assets excluding (a) any Defaulted Assets and those Public Assets for which a breach of the representations and warranties granted under Clause 2 (Dichiarazioni e Garanzie del Cedente) of the Warranty and Indemnity Agreement has occurred and has not been remedied, (b) the Authorised

Investments which are Public Assets and (c) Eligible Investments which are Public Assets;

P = Asset Percentage;

- *B = Integration Assets excluding (a) any Defaulted Assets and those Integration Assets for which a breach of the representations and warranties granted under Clause 2 (Dichiarazioni e Garanzie del Cedente) of the Warranty and Indemnity Agreement has occurred and has not been remedied, (b) the Outstanding Principal Balance of Integration Assets in excess of the Integration Assets Limit, (c) the Integration Assets which do not meet the Integration Assets Rating Requirements.*
- *C = the Outstanding Principal Balance of Eligible Investments which are Public Assets;*
- *D = the Outstanding Principal Balance of Authorised Investments which are Public Assets;*
- *E = any sum standing to the credit of the Accounts (other than the Expense Account, the Corporate Account and the Quota Capital Account), for the avoidance of doubts, without any double counting with B;*
- *Z = (the weighted average number of days to maturity of the outstanding Covered Bonds/365) multiplied by the outstanding Covered Bonds multiplied by N.*

where

N = Negative Carry Factor.”

* * *

On page 121, under paragraph “Tests”, the following definition is inserted after the definition of “Required Redemption Amount” and before the definition of “Selected Assets”:

*“**Relevant Securities Documents**” means the relevant prospectuses (or, for Securities in respect of which duty to publish a prospectus is not provided for, the issue notice published in accordance with the relevant applicable law) and/or the terms and conditions of the Securities (or similar documents in accordance with the relevant applicable law) and the documents by means of which Guarantees are given.”*

* * *

On page 123, under paragraph “Commingling Risk for loans granted in pool”, the following definition is inserted before the definition of “ATI Agent Bank”:

*“**ATI**” means an Associazione Temporanea di Imprese or a Raggruppamento Temporaneo as ruled under Legislative Decree of April 12, 2006, No. 163, as amended and supplemented from time to time, and the relevant implementing regulations.”*

* * *

On page 123, under paragraph “Commingling Risk for loans granted in pool”, the definition of “ATI Agent Bank” is replaced as follows (the underlined words show the insertions made):

*“**ATI Agent Bank**” means, in respect of a Loan disbursed by lenders in pool as ATI or Convenzioni in Pool, the bank (other than the Issuer and the Servicer) acting as agent bank for the pool on the basis of an irrevocable mandate (an in rem propriam mandate) granted to it.”*

* * *

On page 123, under paragraph “Commingling Risk for loans granted in pool”, the definition of “ATI Agent Remedy Actions” is replaced as follows (the underlined words show the insertions made):

““ATI Agent Remedy Actions” means that (a) the Asset Percentage has been modified in accordance with the Portfolio Administration Agreement in order to cure an ATI Agent Trigger Event and the Tests are satisfied taking into account such amendment to the Asset Percentage, (b) a guarantee in respect of the relevant ATI Agent Bank’s obligations has been granted by an eligible entity in accordance with the provisions of the Servicing Agreement, (c) the ATI Commingling Reserve Amount has been credited to the Investment Account on the immediately preceding Guarantor Payment Date or (d) the amounts standing to the credit of the Accounts are sufficient, taking into account the amounts to be paid under points (i) to (v) of the Pre-Issuer Default Interest Priority of Payments, to constitute the ATI Commingling Reserve Amount on the next Guarantor Payment Date.”

* * *

On page 123, under paragraph “Commingling Risk for loans granted in pool”, the definition of “ATI Commingling Reserve Amount” is replaced as follows (the underlined words show the insertions made):

““ATI Commingling Reserve Amount” means, on any date, an amount equal to (a) the peak of the Collections expected to be received during one of the following Collection Periods in respect of the ATI Commingling Affected Portfolio minus (b) the amount of the Reserve Fund Required Amount already credited (or to be credited on the relevant Guarantor Payment Date) on the Investment Account, provided that if the difference between (a) and (b) above is a negative number the ATI Commingling Reserve Amount shall be equal to zero.”

* * *

On page 123, under paragraph “Commingling Risk for loans granted in pool”, the following definition is inserted after the definition of “ATI Commingling Reserve Amount”:

““Convenzioni in Pool” means temporary pools composed by two or more banks other than an ATI.”

ACCOUNTS AND CASH FLOWS

On page 124, under section “Accounts”, paragraph “*The Principal Receivables Collection Account*” is replaced as follows (the underlined words show the insertions made):

“*The Principal Receivables Collection Account*”

Deposits. *An Euro denominated current account established and maintained with Receivables Collection Account Bank into which:*

- (i) *by the end of the second Business Day immediately following the relevant reconciliation, any principal payment and any Interest Component of the Purchase Price received by the Servicer in relation to the Receivables will be deposited with value date as of the relevant date of receipt;*
- (ii) *promptly upon receipt, all principal components and the Interest Component of the Purchase Price of the proceeds arising out of the liquidation of Receivables will be transferred with value date as of the relevant date of receipt.*

Withdrawals. *On a daily basis by the end of the relevant day of receipt, any amount standing to the credit of the Principal Receivables Collection Account will be transferred to the Investment Account by the Receivables Collection Account Bank.*

*(the “**Principal Receivables Collection Account**”).”*

* * *

On pages 124 and 125, under section “Accounts”, paragraph “*The Investment Account*” is replaced as follows (the underlined words show the insertions made):

“*The Investment Account*”

Deposits. *An Euro-denominated current account established and maintained with the Account Bank into which:*

- (i) *the Receivables Collection Account Bank shall transfer by the end of the relevant day of receipt any amount standing to the credit of the Receivables Collection Accounts and the Account Bank shall transfer in the Investment Account by the end of the relevant day of receipt any amount standing to the credit of the Securities Collection Accounts;*
- (ii) *by the end of the relevant day of receipt the Account Bank shall transfer (a) the funds resulting from the reimbursement or liquidation of all Eligible Investments and Authorised Investments; (b) any amount to be credited to the Investment Account in accordance with the relevant Priority of Payments (including any CB Swaps Accumulation Amount, the Reserve Fund Required Amount, the ATI Commingling Reserve Amount, the Interest Accumulation Amount and any Purchase Price Accumulation Amount); and (c) any amount (if any) standing to the credit of the Transaction Account, after distribution in accordance with the applicable Priorities of Payments of payments due on the relevant CB Payment Dates or payments of the purchase price to be paid in accordance with the Master Transfer Agreement.*

Withdrawals:

- (i) *within 2 Business Days prior to each Guarantor Payment Date, any amount standing to the credit of the Investment Account (other than the CB Swaps Accumulation Amount and the Interest Accumulation Amount) shall be transferred to the Transaction Account.*
- (ii) *2 Business Days prior to each CB Payment Date, any amount to be paid under the CB Swaps on such CB Payment Date shall be transferred to the Transaction Account.*
- (iii) *2 Business Days prior to each CB Payment Date, the Interest Accumulation Amount shall be transferred to the Transaction Account.*

- (iv) 2 Business Days prior to each date on which a purchase price has to be paid under the Master Transfer Agreement, the Purchase Price Accumulation Amount shall be transferred to the Transaction Account upon instruction of the Servicer.
 - (v) 2 Business Days prior to each CB Payment Date falling after the occurrence of an Issuer Event of Default or an Article 74 Event, any amount to be paid under the Covered Bonds on such CB Payment Date shall be transferred to the Transaction Account.
 - (vi) 10 Business Days after the Initial Issue Date an amount equal to Euro 150,000.00 shall be transferred to the Corporate Account and an amount equal to Euro 120,000.00 shall be transferred to the Expenses Account.
- (the “**Investment Account**”).”

* * *

On page 126, under section “Accounts”, paragraph “The Securities Account” is replaced as follows (the underlined words show the insertions made):

“The Securities Account

Deposits. An Euro-denominated current account established and maintained with the Account Bank into which the Account Bank, pursuant to any order of the Cash Manager or the Covered Bonds Guarantor, will deposit and keep the Public Assets and Integration Assets consisting of securities (other than the Eligible Investments and the Authorised Investments).

Withdrawals. All the Public Assets and Integration Assets consisting of securities (other than the Eligible Investments and the Authorised Investments) will be (a) liquidated in accordance with the provisions of the Portfolio Administration Agreement or (b) sold to the relevant Seller in accordance with the Master Transfer Agreement upon instruction of the Servicer, and proceeds credited to the Investment Account by the Cash Manager.

(the “**Securities Account**”).”

* * *

On page 126, under section “Accounts”, paragraph “The Eligible Investments Account” is replaced as follows (the underlined words show the insertions made):

“The Eligible Investments Account

Deposits. An Euro-denominated current account established and maintained with the Account Bank into which the Account Bank, pursuant to any order of the Cash Manager, will deposit all securities constituting Eligible Investments and Authorised Investments purchased by the Cash Manager on behalf of the Covered Bonds Guarantor with the amounts standing to the credit of the Investment Account.

Withdrawals. Within 3 Business Days prior to each CB Payment Date falling prior to the occurrence of an Issuer Event of Default or an Article 74 Event, the Authorised Investments and Eligible Investments standing to the credit of the Eligible Investments Account will be liquidated for an amount equal to the CB Swap Accumulation Amount or Interest Accumulation Amount, as the case may be, and proceeds credited to the Investment Account by the Account Bank unless there are sufficient funds already deposited in the Investment Account to cover the CB Swap Accumulation Amount or the Interest Accumulation Amount, as the case may be.

Within 3 Business Days prior to each CB Payment Date falling after the occurrence of an Issuer Event of Default or an Article 74 Event, all the Authorised Investments and Eligible Investments standing to the credit of the Eligible Investments Account will be liquidated and proceeds credited to the Investments Account by the Account Bank.

Within 3 Business Days prior to each Guarantor Payment Date, the Authorised Investments and the Eligible Investments standing to the credit of the Eligible Investments Account will be liquidated and proceeds credited to the Investment Account.

Within 3 Business Days prior to each date on which a purchase price in respect of any Revolving Assignment has to be paid under the Master Transfer Agreement, the Authorised Investments and Eligible Investments standing to the credit of the Eligible Investments Account will be liquidated for an amount equal to the Purchase Price Accumulation Amount and proceeds credited to the Investment Account by the Account Bank unless there are sufficient funds already deposited in the Investment Account to cover the Purchase Price Accumulation Amount.

(the “**Eligible Investments Account**”).”

* * *

On pages 127 and 128, under section “Accounts”, paragraph “*The Transaction Account*” is replaced as follows (the underlined words show the insertions made):

“The Transaction Account

Deposits. An Euro-denominated current account established and maintained with the Account Bank into which:

- (i) 2 Business Days prior to each Guarantor Payment Date, (a) any amount standing to the credit of the Investment Account (other than the CB Swaps Accumulation Amount, the Interest Accumulation Amount and the Purchase Price Accumulation Amount) shall be transferred and (b) any amounts to be paid by the Hedging Counterparty under the TBG Swaps will be credited.
- (ii) 2 Business Days prior to each CB Payment Date (a) any amount to be paid under the CB Swaps on such CB Payment Date and deposited on the Investment Account shall be transferred and (b) the amounts to be paid by the CB Hedging Counterparty under the CB Swaps will be credited.
- (iii) 2 Business Days prior to each CB Payment Date any Interest Accumulation Amount deposited on the Investment Account shall be transferred.
- (iv) 2 Business Days prior to each CB Payment Date falling after the occurrence of an Issuer Event of Default or an Article 74 Event, any amount to be paid under the Covered Bonds on such CB Payment Date shall be transferred from the Investment Account.
- (v) 2 Business Days prior to each date on which a purchase price has to be paid under the Master Transfer Agreement, the Purchase Price Accumulation Amount shall be transferred from the Investment Account to the Transaction Account upon instruction of the Servicer.
- (vi) Any drawdown under the Subordinated Loan Agreement will be credited.

Withdrawals:

- (i) on each Guarantor Payment Date, the Cash Manager will execute payments or credit the relevant amounts in accordance with the relevant Priorities of Payments (including the purchase price of Public Assets and Integration Assets funded through Available Funds).
- (ii) on each CB Payment Date the Cash Manager will execute payments under the CB Swaps.
- (iii) 1 Business Day prior to each CB Payment Date falling after an Issuer Event of Default or an Article 74 Event or a Covered Bonds Guarantor Event of Default, the Cash Manager will transfer to the Paying Agent the amounts necessary to execute payments of interests and principal due in relation to the outstanding Covered Bonds in accordance with the Post-Issuer Defaults Priority of Payments.
- (iv) 2 Business Days following the relevant CB Payment Date, any amount in excess, after payments of the amounts mentioned above, will be transferred to the Investment Account by the Cash Manager.

- (v) On the date on which the Definitive Purchase Price of the New Portfolio or the Rectified Purchase Price of the New Portfolio has to be paid in accordance with the Master Transfer Agreement, an amount equal to the lower of (a) the Purchase Price Accumulation Amount and (b) the Definitive Purchase Price of the New Portfolio or the Rectified Purchase Price of the New Portfolio, as the case may be, will be transferred to the Seller by the Cash Manager.
- (vi) 2 Business Days following the payment under the preceding paragraph, any amount equal to the positive difference, if any, between the Purchase Price Accumulation Amount and the Definitive Purchase Price of the New Portfolio or Rectified Purchase Price of the New Portfolio, as the case may be, actually paid to the Seller will be transferred to the Investment Account by the Cash Manager.
- (vii) The Cash Manager will execute payments for the purchase of any Public Assets and Integration Assets funded through the Subordinated Loan in accordance with the provisions of the Master Transfer Agreement.
- (the “**Transaction Account**”).”

* * *

On page 128, under section “Accounts”, the definition of “CB Swaps Interest Accumulation Amount” is replaced as follows (the underlined words show the insertions made):

“**CB Swaps Interest Accumulation Amount**” means, in relation to any Guarantor Payment Date, (a) for a Series of Covered Bonds with CB Payments Dates falling during the immediately following Guarantor Interest Period, an amount equal to the Due for Payment CB Swap Floating Rate Amount as provided under the relevant CB Swap confirmation (for the avoidance of doubts, taking into account the CB Swap Floating Rate Amount accumulated on the immediately previous Guarantor Payment Date), or (b) in case no CB Payment Dates are falling during the immediately following Guarantor Interest Period, an amount equal to the CB Swap Floating Rate Amount as provided under the relevant CB Swap confirmation.”

* * *

On page 128, under section “Accounts”, the definition of “CB Swap Floating Rate Amount” is replaced as follows (the underlined words show the insertions made):

“**CB Swap Floating Rate Amount**” means the amount to be accumulated by the Covered Bonds Guarantor on each relevant Guarantor Payment Date and shall be equal to (A) the product of (i) the Euribor paid to the Covered Bonds Guarantor under the TBG Swaps in relation to the relevant Guarantor Payment Date, plus/minus a spread (if any) as set in the relevant CB Swap confirmation, (ii) the Notional Amount of the relevant CB Swap and (iii) the Day Count Fraction, calculated for the relevant CB Swap calculation period as set in the relevant CB Swap confirmation or (B) zero, as specified in the relevant CB Swap Confirmation.”

* * *

On page 128, under section “Accounts”, the definition of “Covered Bonds Guarantor Disbursement Amount” is replaced as follows (the underlined words show the insertions made):

“**Covered Bonds Guarantor Disbursement Amount**” means on the Guarantor Payment Date falling on 31 March of each year the difference between: (i) Euro 100,000.00 and (ii) any amount standing to the credit of the Expenses Account on the Calculation Date immediately preceding such Guarantor Payment Date.”

* * *

On page 128, under section “Accounts”, the definition of “Covered Bonds Guarantor Retention Amount” is replaced as follows (the underlined words show the insertions made):

“**Covered Bonds Guarantor Retention Amount**” means on the Guarantor Payment Date

falling on 31 March of each year the difference between: (i) Euro 150,000.00 and (ii) any amount standing to the credit of the Corporate Account on the Calculation Date immediately preceding such Guarantor Payment Date.”

* * *

On page 128, under section “Accounts”, the following definition is inserted after the definition of “Covered Bonds Guarantor Retention Amount” and before the definition of “Due for Payment CB Swap Floating Rate Amount”:

*“**Definitive Purchase Price of the New Portfolio**” has the meaning ascribed to such expression under the Master Transfer Agreement.”*

* * *

On page 129, under section “Accounts”, the following definitions are inserted after the definition of “Minimum Required Ratings” and before the definition of “Reserve Fund Required Amount”:

*“**Provisional Purchase Price of the New Portfolio**” has the meaning ascribe to such expression under the Master Transfer Agreement.*

*“**Purchase Price Accumulation Amount**” means, on any Guarantor Payment Date, an amount equal to (A) the Provisional Purchase Price of the New Portfolio – as determined with reference to a New Portfolio under the relevant offer of transfer – to be used for any payment of the relevant Definitive Purchase Price of the New Portfolio or the Rectified Purchase Price of the New Portfolio during the following Guarantor Interest Period or (B) with reference to the mechanism provided for under Clause 7.1 (Offerta di Cessione) letter (b) of the Master Transfer Agreement, the Definitive Purchase Price of the New Portfolio – as determined with reference to a New Portfolio under the relevant offer of transfer – to be used for any payment of the relevant Definitive Purchase Price of the New Portfolio or the Rectified Purchase Price of the New Portfolio during the following Guarantor Interest Period.*

*“**Rectified Purchase Price of the New Portfolio**” has the meaning ascribed to such expression under the Master Transfer Agreement.”*

* * *

On page 129, under section “Accounts”, the definition of “Reserve Fund Required Amount” is replaced as follows (the underlined words show the insertions made):

*“**Reserve Fund Required Amount**” means an amount equal to (a) if a Servicer Downgrading Event has occurred and is continuing, the maximum amount of the Collections expected to be received during the following Collection Periods, or (b) if an Issuer Downgrading Event has occurred and is continuing, the aggregate of items (i), (ii), (iii) and (iv) of the Pre-Issuer Default Interest Priority of Payments expected to be paid on the second Guarantor Payment Date following the Calculation Date on which the set up of such reserve is triggered, or (c) if both a Servicer Downgrading Event and an Issuer Downgrading Event have occurred and are continuing, the higher of (a) and (b) above.”*

* * *

On page 130, under paragraph “Pre-Issuer Default Interest Priority of Payment”, item (iv) of the Pre-Issuer Default Interest Priority of Payment is replaced as follows (the underlined words show the insertions made):

“fourth, pari passu and pro rata according to the respective amounts thereof (a) to pay any Hedging Senior Payments, other than in respect of principal, due and payable on such Guarantor Payment Date, under the TBG Swaps, (b) to pay any Hedging Senior Payment, other than in respect of principal, due and payable on such Guarantor Payment Date under the CB Swaps or to credit to the Investment Account an amount equal to the CB Swaps Interest Accumulation Amount to be used for Hedging Senior Payments, other than in respect of

principal, under the CB Swaps after the relevant Guarantor Payment Date and (c) to credit to the Investment Account an amount equal to the Interest Accumulation Amount, to be used for any interest payment due on the CB Payment Dates falling during the Guarantor Interest Period starting from such Guarantor Payment Date, in respect of any Series of Covered Bonds in relation to which no CB Swaps have been entered into;”

* * *

On page 131, under paragraph “*Pre-Issuer Default Interest Priority of Payment*”, item (xi) of the Pre-Issuer Default Interest Priority of Payment is replaced as follows (the underlined words show the insertions made):

“eleventh, to pay pari passu and pro rata, any other amount due and payable to the Seller, the Additional Sellers (if any) or the Issuer under any Transaction Document (other than the Subordinated Loan Agreement);”

* * *

On pages 131 and 132, paragraph “*Pre-Issuer Default Principal Priority of Payment*” is replaced as follows (the underlined words show the insertions made):

“On each Guarantor Payment Date, prior to the service of an Article 74 Notice to Pay or a Notice to Pay (or following the withdrawal of an Article 74 Notice to Pay), the Covered Bonds Guarantor will use Principal Available Funds (as defined below) to make payments and provisions in the order of priority set out below (in each case only if and to the extent that payments of a higher priority have been made in full):

- (i) first, to pay any amount due and payable under items (i) to (vi) of the Pre-Issuer Default Interest Priority of Payment, to the extent that the Interest Available Funds are not sufficient, on such Guarantor Payment Date, to make such payments in full;*
- (ii) second, pari passu and pro rata according to the respective amounts thereof (a) to pay any Hedging Senior Payment in respect of principal due and payable on such Guarantor Payment Date under the TBG Swaps and (b) to pay any Hedging Senior Payment in respect of principal due and payable on such Guarantor Payment Date under the CB Swaps or to credit to the Investment Account an amount equal to the CB Swaps Principal Accumulation Amount to be used for Hedging Senior Payment under the CB Swaps after the relevant Guarantor Payment Date;*
- (iii) third, if the Pre-Maturity Liquidity Test is satisfied, pari passu and pro rata according to the respective amounts thereof, (a) to pay the purchase price of the Public Assets and/or Integration Assets offered for sale by the Seller, the Additional Sellers (if any) or the Issuer in the context of Revolving Assignment in accordance with the provisions of the Master Transfer Agreement or any amount due to the Seller as purchase price in the context of Revolving Assignment pursuant to the Master Transfer Agreement that was not paid on the previous Guarantor Payment Date, (b) to credit to the Investment Account the Purchase Price Accumulation Amount;*
- (iv) fourth, to deposit on the Investment Account any residual Principal Available Funds in an amount sufficient to ensure that taking into account the other resources available to the Covered Bonds Guarantor, the Tests are met;*
- (v) fifth, if a Servicer Termination Event has occurred, all residual Principal Available Funds to be credited to the Investment Account until such event of default of the Servicer is either remedied by the Servicer or waived by the Representative of the Covered Bondholders or a new servicer is appointed to service the Portfolio (or the relevant part thereof);*
- (vi) sixth, if the Pre-Maturity Liquidity Test or the Tests are not satisfied on the Calculation Date immediately preceding the relevant Guarantor Payment Date or an Issuer Event of*

Default or a Covered Bonds Guarantor Event of Default has occurred on or prior such Guarantor Payment Date or the Issuer has not paid interest and principal due on the CB Payment Dates in the immediately previous Guarantor Interest Period, to credit all remaining Principal Available Funds to the Investment Account until the following Guarantor Payment Date;

- (vii) *seventh, to pay any amount arising out of any termination event under any Swap Agreements not provided for under item (ii) above;*
- (viii) *eight, to pay pari passu and pro rata any other amount due and payable to the Seller, the Additional Sellers (if any) or the Issuer under any Transaction Document (other than the Subordinated Loan Agreement) not already provided for under item (xi) of the Pre-Issuer Default Interest Priority of Payment;*
- (ix) *ninth, to pay the amount (if any) due to the Seller as principal redemption under the Subordinated Loan (including as a consequence of “richiesta di rimborso anticipato” as indicated therein) provided that the Tests and the Pre-Maturity Liquidity Test are still satisfied after such payment;*

*(the “**Pre-Issuer Default Principal Priority of Payment**”).*

* * *

On pages 132-133, paragraph “*Post-Issuer Default Priority of Payment*” is replaced as follows (the underlined words show the insertions made):

“Post-Issuer Default Priority of Payment

On each Guarantor Payment Date, following either an Article 74 Notice to Pay (which has not been withdrawn) or an Issuer Event of Default, but prior to the occurrence of a Covered Bonds Guarantor Events of Default, the Covered Bonds Guarantor will use the Available Funds, to make payments and provisions in the order of priority set out below (in each case only if and to the extent that payments of a higher priority have been made in full):

- (i) *first, to pay, pari passu and pro rata according to the respective amounts thereof, any Expenses and taxes, in order to preserve its corporate existence, to maintain it in good standing and to comply with applicable legislation;*
- (ii) *second, pari passu and pro rata according to the respective amounts thereof (a) to pay any amount due and payable to the Representative of the Covered Bondholders, the Receivables Collection Account Bank, the Account Bank, the Cash Manager, the Administrative Services Provider, the Calculation Agent, the Asset Monitor, the Portfolio Manager and the Servicer and (b) to credit the Covered Bonds Guarantor Disbursement Amount into the Expenses Account and the Covered Bonds Guarantor Retention Amount into the Corporate Account;*
- (iii) *third, pari passu and pro rata according to the respective amounts thereof (a) to pay any Hedging Senior Payment, other than in respect of principal, due and payable on such Guarantor Payment Date, under the TBG Swaps, (b) to pay any Hedging Senior Payment, other than in respect of principal, due and payable on such Guarantor Payment Date under the CB Swaps or to credit to the Investment Account an amount equal to the CB Swaps Interest Accumulation Amount to be used for Hedging Senior Payments, other than in respect of principal, under the CB Swaps after the relevant Guarantor Payment Date and (c) to pay any interest due and payable on such Guarantor Payment Date or to credit to the Investment Account an amount equal to the Interest Accumulation Amount, to be used for any interest payment due on the CB Payment Dates falling during the Guarantor Interest Period starting from such Guarantor Payment Date, in respect of any Series of Covered Bonds in relation to which no CB Swaps have been entered into;*
- (iv) *fourth, pari passu and pro rata according to the respective amounts thereof,*

- (d) to pay any Hedging Senior Payment in respect of principal due and payable on such Guarantor Payment Date, under the TBG Swaps;
- (e) to pay any amount in respect of principal due and payable on each Series of Covered Bonds on each CB Payment Date falling on such Guarantor Payment Date or to credit to the Investment Account any amount in respect of principal to be paid on each CB Payment Dates falling during the Guarantor Interest Period starting from such Guarantor Payment Date; and
- (f) to pay any Hedging Senior Payment, in respect of principal, due and payable on such Guarantor Payment Date under the CB Swaps or to credit to the Investment Account an amount equal to the CB Swaps Principal Accumulation Amount to be used for Hedging Senior Payments under the CB Swaps during the Guarantor Interest Period starting from such Guarantor Payment Date;
- (v) fifth, to deposit on the Investment Account any residual amount until all Covered Bonds are fully repaid or an amount equal to the Required Redemption Amount for each Series of Covered Bonds outstanding has been accumulated;
- (vi) sixth, to pay, pari passu and pro rata according to the respective amounts thereof, any amount arising out of any termination event under any Swap Agreement not provided for under items (iii) and (iv) above;
- (vii) seventh, to the extent that all the Covered Bonds issued under any Series have been repaid in full or an amount equal to the Required Redemption Amount for each Series of Covered Bonds outstanding has been accumulated, to pay, pari passu and pro rata according to the respective amounts thereof, any other amount due and payable to the Seller, the Additional Sellers (if any) or the Issuer under any Transaction Document (other than the Subordinated Loan Agreement);
- (viii) eighth, to the extent that all the Covered Bonds issued under any Series have been repaid in full or an amount equal to the Required Redemption Amount for each Series of Covered Bonds outstanding has been accumulated, to pay, pari passu and pro rata according to the respective amounts thereof, any amount due as Minimum Interest Amount under the Subordinated Loan;
- (ix) ninth, to the extent that all the Covered Bonds issued under any Series have been repaid in full or an amount equal to the Required Redemption Amount for each Series of Covered Bonds outstanding has been accumulated, to pay, pari passu and pro rata according to the respective amounts thereof, any amount due as principal under the Subordinated Loan;
- (x) tenth, to the extent that all the Covered Bonds issued under any Series have been repaid in full or an amount equal to the Required Redemption Amount for each Series of Covered Bonds outstanding has been accumulated, to pay, pari passu and pro rata according to the respective amounts thereof, any amount due as Premium Interest Amount under the Subordinated Loan.

(the “**Post-Issuer Default Priority of Payments**”).

* * *

On page 134, under paragraph “*Post-Guarantor Default Priority of Payment*”, item (ii) of the Post-Guarantor Default Priority of Payment is replaced as follows (the underlined words show the insertions made):

“*second, to pay, pari passu and pro rata according to the respective amounts thereof, any amounts due and payable to the Representative of the Covered Bondholders, the Receivables Collection Account Bank, the Account Bank, the Cash Manager, the Calculation Agent, the Administrative Services Provider, the Asset Monitor, the Portfolio Manager and the Servicer and to credit an amount up to the Covered Bonds Guarantor Disbursement Amount into the*

Expenses Account and the Covered Bonds Guarantor Retention Amount into the Corporate Account;”

DESCRIPTION OF THE TRANSACTION DOCUMENTS

Paragraph “*Master Transfer Agreement*”, beginning on page 136 is replaced as follows (the underlined words show the insertions made):

“Master Transfer Agreement

*Pursuant to a master transfer agreement entered into on May 20, 2009 (the “**Master Transfer Agreement**”), the Seller assigned and transferred the Initial Portfolio to the Covered Bonds Guarantor, without recourse (pro soluto), in accordance with Law 130. Pursuant to the Master Transfer Agreement, the Covered Bonds Guarantor has agreed to pay the Seller a purchase price of Euro 3,790,358,323.04. Furthermore, the Seller and the Covered Bonds Guarantor agreed that the Seller may assign and transfer Public Assets and/or Integration Assets to the Covered Bonds Guarantor from time to time, on a revolving basis, in the cases and subject to the limits for the transfer of further Public Assets and/or Integration Assets.*

Further Assignments

For the assignment of each New Portfolio, the Covered Bonds Guarantor shall pay the Seller an amount equal to the sum of the individual price of each Receivable and Security of all the Receivables or Securities in such New Portfolio, to be calculated in accordance with the provisions set forth under the Master Transfer Agreement.

The Receivables comprised in each New Portfolio shall comply with the General Criteria (if applicable in relation to the relevant issuance, the Specific Criteria) on the relevant Cut-off Date. Each Portfolio may be composed by Integration Assets provided that the total amount of such Integration Assets does not exceed the Integration Assets Limit.

The Further Assignments shall be aimed at:

- (a) *issuing further Covered Bonds funded by means of amounts drawn under the Subordinated Loan, (the “**Issuance Collateralisation Assignment**”); or*
- (b) *investing principal Collections by means of purchasing further Public Assets using the principal collections received by the Covered Bonds Guarantor in relation to the Public Assets and Integration Assets which are part of the Portfolio and in accordance with the relevant Priorities of Payments (the “**Revolving Assignment**”); or*
- (c) *complying with the Tests, and preventing the breach of the Tests, in accordance with the Portfolio Administration Agreement (the “**Integration Assignment**”), subject to the Integration Assets Limits.*

The obligation of the Covered Bonds Guarantor to purchase any New Portfolio shall be conditional upon, inter alia, (a) the existence of Principal Available Funds with reference to the Pre-Issuer Default Principal Priority of Payments for the carrying out of the Revolving Assignments, and (b) the funding of the requested amounts under the relevant Subordinated Loan for the carrying out of Issuance Collateralisation Assignments or Integration Assignments;

The obligation of the Covered Bonds Guarantor to purchase any New Portfolio shall be also subject to certain conditions subsequent set out in the Master Transfer Agreement.

Criteria

Each of the Receivables forming part of the Portfolio shall comply with all the General Criteria and to the applicable Specific Criteria.

Price Adjustments

The Master Transfer Agreement provides a price adjustment mechanism pursuant to which:

- (i) *if, following the relevant Cut-off Date, any Receivable which is part of the Portfolio does not meet the Criteria, then such Receivable will be deemed not to have been*

assigned and transferred to the Covered Bonds Guarantor pursuant to the Master Transfer Agreement;

- (ii) *if, following the relevant Cut-off Date, any Receivable which meets the Criteria but it is not part of the Portfolio, then such Receivable shall be deemed to have been assigned and transferred to the Covered Bonds Guarantor with effects as of the Effective Date of the relevant Portfolio, pursuant to the Master Transfer Agreement.*

Repurchase of Receivables and Pre-emption right

The Seller is granted an option right, pursuant to Article 1331 of Italian Civil Code, to repurchase Receivables or Securities individually or in block, also in different tranches. In order to exercise the option right, the Seller is required to pay the Covered Bonds Guarantor an amount to be calculated in accordance with the provisions set forth under the Master Transfer Agreement. The exercise of the option right shall be conditional upon, inter alia, (a) the verification by the Calculation Agent, and the confirmation of the Seller, that the exercise of such right shall not cause the breach of the Tests and (b) the absence of the Issuer Events of Default set forth under Condition 12(c) (Issuer Event of Default) point (iii) (Insolvency).

The Seller is granted a pre-emption right to repurchase Receivables or Securities to be sold by the Covered Bonds Guarantor to third parties, at the same terms and conditions provided for such third parties. Such pre-emption rights shall cease should the Seller be submitted to any of the procedures set forth in Title V of the Banking Law.

Termination of the Covered Bonds Guarantor's obligation to purchase and termination of the agreement

Pursuant to the Master Transfer Agreement, the obligation of the Covered Bonds Guarantor to purchase New Portfolios shall terminate upon the occurrence of any of the following: (i) a breach of the undertakings and duties assumed by the Seller pursuant to the Transaction Documents, in the event such breach is not cured within the period specified in the Master Transfer Agreement, or it is otherwise not curable; (ii) a breach of the Seller's representations and warranties given in any of the Transaction Documents; (iii) a Seller's material adverse change; (iv) an event which is negatively affecting the corporate and financial situation of the Seller (inter alia, enforcement against the Sellers' assets, winding-up of the Seller, opening of a bankruptcy or insolvency proceeding); (v) a change of control of the Seller and consequent exit from the Intesa Sanpaolo Group; (vi) a change in law and regulations following to which the issue of Covered Bonds is impossible or less convenient, both from an economic and commercial point of view, for the parties; (vii) the Seller being notified of the commencement of a judicial proceeding which may reasonably cause the occurrence of a material adverse change of the Seller; (viii) the occurrence of an Issuer Event of Default notified by the Representative of the Covered Bondholders both to the Issuer and the Covered Bonds Guarantor. Further to the occurrence of an event described above, the Covered Bonds Guarantor shall no longer be obliged to purchase New Portfolios.

Undertakings

The Master Transfer Agreement also contains a number of undertakings by the Seller in respect of its activities in relation to the Receivables or Securities. The Seller has undertaken, inter alia, to refrain from carrying out activities with respect to the Receivables or Securities which may prejudice the validity or recoverability of any Receivable or Security and in particular not to assign or transfer the Receivables or Securities 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 or Securities. The Seller also has undertaken to refrain from any action which could cause any of the Receivable or Security to become invalid or to cause a reduction in the amount of any of the Receivable or Security or the Guarantee. The Master Transfer Agreement also provides that the Seller shall waive any set off rights in respect of the Receivables or Securities, and cooperate actively with the Covered Bonds Guarantor in any activity concerning the Receivables or Securities.

Main Definitions

For the purposes of the Master Transfer Agreement:

“Cut-off Date” means: (i) in respect of the Initial Portfolio May 1, 2009 and (ii) in respect of assignment of any New Portfolio, the date indicated in the relevant offer of transfer on which the Receivables and Securities, to be included in the relevant New Portfolio, are individuated.

“Effective Date” means the date starting from which the assignment of each Portfolio becomes effective, in accordance with the provisions set forth under the Master Transfer Agreement.

“Evaluation Date” means: (i) in respect of the Initial Portfolio May 1, 2009 and (ii) in respect of any New Portfolio, the date indicated in the relevant offer of transfer in accordance with the provisions set forth under the Master Transfer Agreement.

“New Portfolio” means any portfolio composed of Public Assets and/or Integration Assets which the Seller will assign to the Covered Bonds Guarantor in accordance with the Master Transfer Agreement subsequent to the sale of the Initial Portfolio.

Governing Law

The Master Transfer Agreement is governed by Italian Law.”

* * *

On page 139, under paragraph “Subordinated Loan Agreement”, the definition of “Premium Interest Amount” is replaced as follows (the underlined words show the insertions made):

“**Premium Interest Amount**” means:

- (d) prior to the occurrence of an Issuer Event of Default, an amount equal to the algebraic sum of:
 - (iii) (+) the amount of Interest Available Funds;
 - (iv) (-) the sum of any amount paid under items from (i) to (xii) of the Pre-Issuer Default Interest Priority of Paymentor
- (e) following to the occurrence of an Issuer Event of Default, an amount equal to the algebraic sum of:
 - (iii) (+) the amount of Available Funds;
 - (iv) (-) the sum of any amount paid under items from under items (i) to (ix) of the Post-Issuer Default Priority of Payments.or
- (f) following the occurrence of a Guarantor Event of Default an amount equal to the algebraic sum of:
 - (iii) (+) the amount of Available Funds;
 - (iv) (-) the sum of any amount paid under items from under items (i) to (viii) of the Post-Guarantor Default Priority of Payments.”

TERMS AND CONDITIONS OF THE COVERED BONDS

On page 168, the definition of “*CB Swap*” is replaced as follows (the underlined words show the insertions made):

““***CB Swap***” means the swap agreement entered into on or about the Issued Date between the Covered Bonds Guarantor and the CB Hedging Counterparty for hedging the currency / interest rate risk on the Covered Bonds;”

* * *

On page 174, the definition of “*Minimum Required Account Bank Rating*” is replaced as follows:

““***Minimum Required Account Bank Rating***” means the long term rating required by the Rating Agency with reference to the entity which acts in its capacity as Account Bank and which is at least equal to “A1” from the Rating Agency.”

* * *

On page 174, the definition of “*Minimum Required Pre-Maturity Liquidity Guarantor Rating*” is replaced as follows:

““***Minimum Required Pre-Maturity Liquidity Guarantor Rating***” means the short term rating required by the Rating Agency with reference to the entity which acts in its capacity as guarantor in order to cure a breach of the Pre-Maturity Liquidity Test and which is at least equal to “P-1” from the Rating Agency.”

* * *

On page 175, the definition of “*Pre-Maturity Liquidity Required Ratings*” is replaced as follows:

““***Pre-Maturity Liquidity Required Ratings***” means, with reference to the Issuer a short-term credit rating from the Rating Agency of at least P-1.”

* * *

On page 178, the definition of “*TBG 1 Swap*” is replaced as follows:

““***TBG 1 Swap***” means any swap agreement entered into between the Covered Bonds Guarantor and the TBG 1 Hedging Counterparty with respect to any Portfolio of fixed rate Receivables and Securities;”

* * *

On page 178, the definition of “*TBG 2 Swap*” is replaced as follows:

““***TBG 2 Swap***” means any swap agreement entered into between the Covered Bonds Guarantor and the TBG 2 Hedging Counterparty with respect to any Portfolio of floating rate Receivables and Securities;”

* * *

On page 191, under Condition 12 “*Article 74 Event and Events of Default*”, letter (c) (*Issuer Events of Default*), point (i) is replaced as follows (the underlined words show the insertions made):

“default is made by the Issuer for a period of 7 Business Days or more in the payment of any principal or redemption amount, or for a period of 14 Business Days or more in the payment of any interest on the Covered Bonds of any Series when due; or”

* * *

On page 192, under Condition 12 “*Article 74 Event and Events of Default*”, letter (e) (*Covered Bonds Guarantor Events of Default*), point (i) is replaced as follows (the underlined words show the insertions made):

“Non-payment: the Covered Bonds Guarantor fails to pay any of interest and/or principal due and payable in respect of the relevant Series of Covered Bonds in accordance with the Covered Bonds Guarantee, subject to a period of 7 Business Days cure period in respect of principal or redemption amount and a 14 Business Days cure period in respect of interest payment the Covered Bonds Guarantor, or fails to pay or to set aside for payment of costs or amount due to any Hedging Counterparty; or subject to”

GENERAL INFORMATION

The information set out below supplements section “*Documents available for inspection*” on page 248:

- (i) The press release of Intesa Sanpaolo S.p.A. dated 19 March 2010 announcing details of the Intesa Sanpaolo Group's consolidated financial results as at and for the year ended 31 December 2009;
- (ii) Covered Bonds Guarantor audited annual financial statements in respect of the year ended on 31 December 2009;
- (iii) Independent Auditor's report in respect of the Covered Bonds Guarantor's annual financial statements for the year ended on 31 December 2009;
- (iv) Abstract of Banca Infrastrutture Innovazione e Sviluppo S.p.A. financial statements in respect of the year ended on 31 December 2009.

* * *

The information set out below supplements paragraph “*No significant change and no material adverse change*” on pages 247-248:

“There has been no significant change in the financial and trading position nor material adverse change in the prospects of the Covered Bonds Guarantor and of the Issuer since the date of their last published audited financial statements in respect of the year ended on 31 December 2009.”

DOCUMENTS INCORPORATED BY REFERENCE

On page 250, the first paragraph of section “Documents incorporated by reference” is replaced as follows (the underlined words show the insertions made):

“The following documents which have previously been published or which are published simultaneously with this Base Prospectus and which have been filed with the CSSF shall be incorporated in, and form part of this Base Prospectus:

- (1) *Intesa Sanpaolo audited consolidated annual financial statements in respect of the years ended on 31 December 2007 and 31 December 2008;*
- (2) *Covered Bonds Guarantor audited annual financial statements in respect of the year ended on 31 December 2008;*
- (3) *Intesa Sanpaolo press release dated 19 March 2010 announcing details of the Intesa Sanpaolo Group's consolidated financial results as at and for the year ended 31 December 2009;*
- (4) *Covered Bonds Guarantor audited annual financial statements in respect of the year ended on 31 December 2009;*
- (5) *Independent Auditor's report in respect of the Covered Bonds Guarantor's annual financial statements for the year ended on 31 December 2009;*
- (6) *Abstract of Banca Infrastrutture Innovazione e Sviluppo S.p.A. financial statements in respect of the year ended on 31 December 2009.*

Any information not listed in the cross reference list but included in the documents incorporated by reference is given for information purpose only.

The table below sets out the relevant page references for (i) the notes, the balance sheet, the income statement, the auditor's report and the accounting policies relating to the financial statements of Intesa Sanpaolo for the year 2009, 2008 and 2007, (ii) the notes, the balance sheet, the income statement, the auditor's report and the accounting policies relating to the financial statements of ISP CB Pubblico S.r.l. for the year 2009 and 2008, as set out in the relevant reports and (iii) the balance sheet and the income statement relating to Banca Infrastrutture Innovazione e Sviluppo S.p.A.”

* * *

The information set out below supplements paragraph “Comparative Table of Documents incorporated by reference” starting on page 250:

“The documents incorporated by reference will be published on the Luxembourg Stock Exchange website at www.bourse.lu.”

Intesa Sanpaolo S.p.A.

1.	<i>Reclassified consolidated statement of income of the Intesa Sanpaolo Group for the year ended 31 December 2009</i>	<i>Page 14</i>
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5.	<i>Breakdown of financial highlights and financial ratios by business area</i>	<i>Page 18</i>
6.	<i>Reclassified non-consolidated statement of income of Intesa</i>	<i>Page 19</i>

Sanpaolo for the year ended 31 December 2009

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| 7. | <i>Reclassified non-consolidated balance sheet of Intesa Sanpaolo as at 31 December 2009</i> | <i>Page 20</i> |
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| 4. | <i>Statement of Cash Flows of ISP CB Pubblico S.r.l. for the year ended 31 December 2009</i> | <i>Page 17</i> |
| 5. | <i>Notes to the Accounts of ISP CB Pubblico S.r.l. for the year ended 31 December 2009</i> | <i>Pages 18-43</i> |
| 6. | <i>Independent Auditor's report of ISP CB Pubblico S.r.l. for the year ended 31 December 2009</i> | <i>Page 1-3 of the Independent Auditor's report</i> |

Banca Infrastrutture Innovazione e Sviluppo S.p.A.

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| 1. | <i>Balance Sheet of Banca Infrastrutture Innovazione e Sviluppo S.p.A. for the year ended 31 December 2009</i> | <i>Page 1</i> |
| 2. | <i>Statement of income of Banca Infrastrutture Innovazione e Sviluppo S.p.A. for the year ended 31 December 2009</i> | <i>Page 1</i> |

Any information not listed in the cross reference list but included in the documents incorporated by reference is given for information purpose only.

The consolidated financial statements of the Issuer as at and for the years ended on 31 December 2007, 31 December 2008 and 31 December 2009 have been audited by Reconta Ernst and Young S.p.A., in their capacity as independent auditors of the Issuer, as indicated in their reports thereon.

The financial statements of the Covered Bonds Guarantor as at and for the years ended on 31 December 2008 and on 31 December 2009 have been audited by Reconta Ernst and Young S.p.A., in their capacity as independent auditors of the Covered Bonds Guarantor, as indicated in their reports thereon.

The financial statements of Banca Infrastrutture Innovazione e Sviluppo S.p.A. as at and for the year ended on 31 December 2009, from which the abstract above-mentioned have been taken out, have been audited by Reconta Ernst and Young S.p.A., in their capacity as independent auditors of Banca Infrastrutture Innovazione e Sviluppo S.p.A.

The financial statements referred to above have been prepared in accordance with the accounting principles issued by the International Accounting Standards Board (IASB) and the relative interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as adopted by the European Union under Regulation (EC) 1606/2002."

GLOSSARY

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