GRUPPO CARIGE

Covered Bonds

Paris
3 September 2009

Investment decisions should be made relying upon the whole covered bond prospectus

Issuer description

Gruppo Carige’s mortgage business

Italian mortgage market

Italian covered bond regulation

Covered bond programme

Annex 1: Priority of payments and Programme tests

Annex 2: Default and prepayment analysis

Banca Carige Group today

~50,000 small shareholders

Fondazione CR Genova e Imperia	CNCE	Assicurazioni Generali	Market
44.06%	14.98%	4.08%	36.88%

Banca Carige SpA
Cassa di Risparmio di Genova e Imperia

Banking

- *Banca Carige*
- CR Savona
- CR Carrara
- BM Lucca
- B. Cesare Ponti

Insurance

- Carige Vita Nuova (life)
- Carige Ass.ni (non life)

Finance

- Carige AM SGR
- Creditis (Consumer credit)

Trustee

- Centro Fiduciario

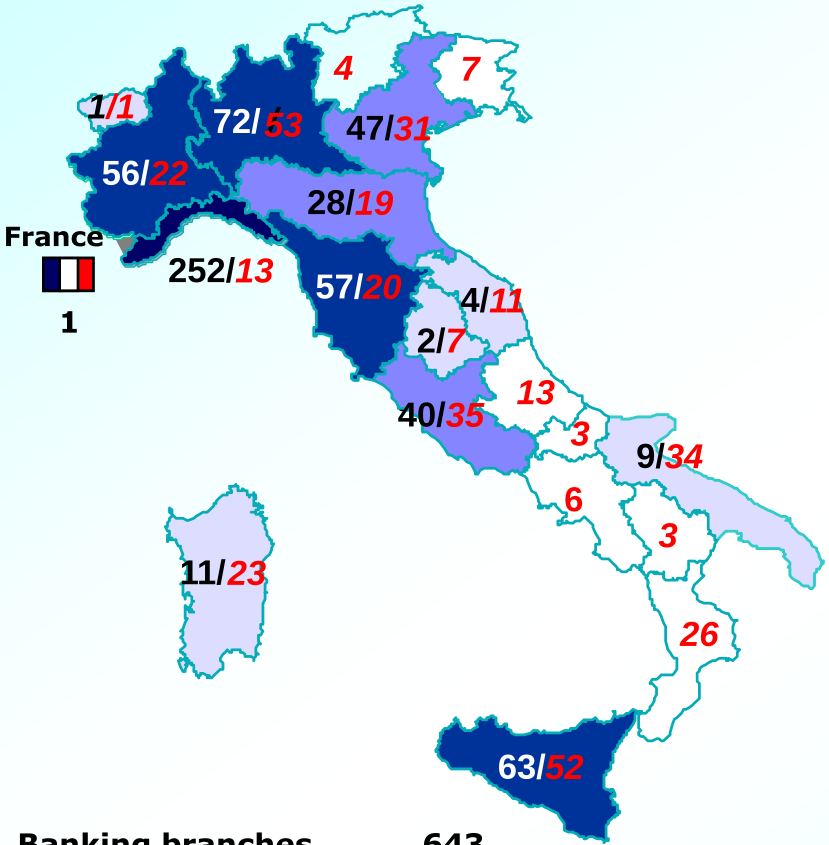
Main Companies Only

5,888 EMPLOYEES	**1.9 M CUSTOMERS (1.2 M BANKING; 0,7M ASSURANCE)**	**643 BRANCHES & 383 INSURANCE OUTLETS**	**EQUITY 3.5 € BILLION**

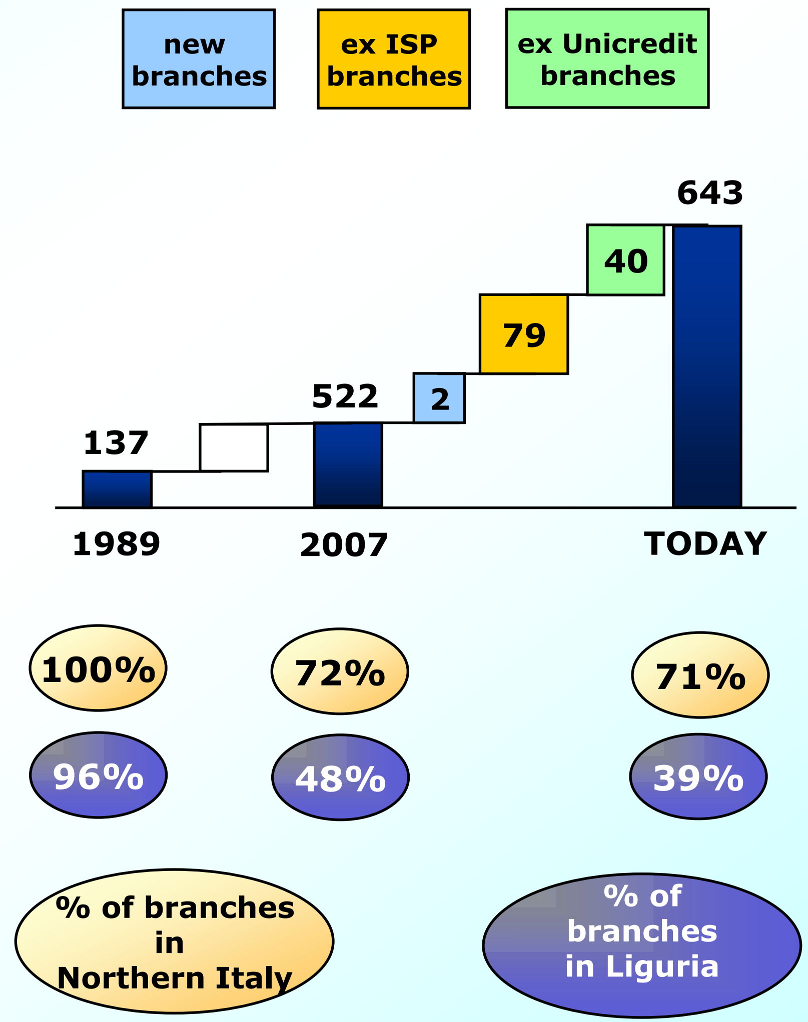
Operational and accounting data as at 30 June 2009

A diversified network

The network today

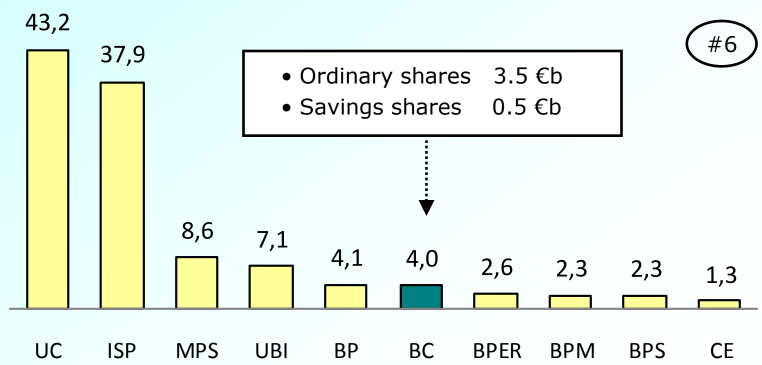


Banking branches	**643**
Insurance outlets	**383**

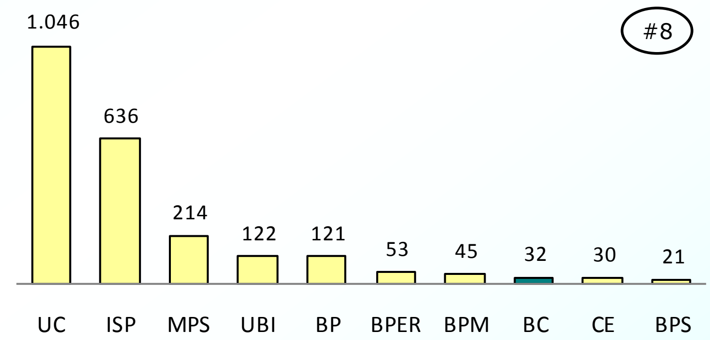


Among the top 10 Italian banking Groups

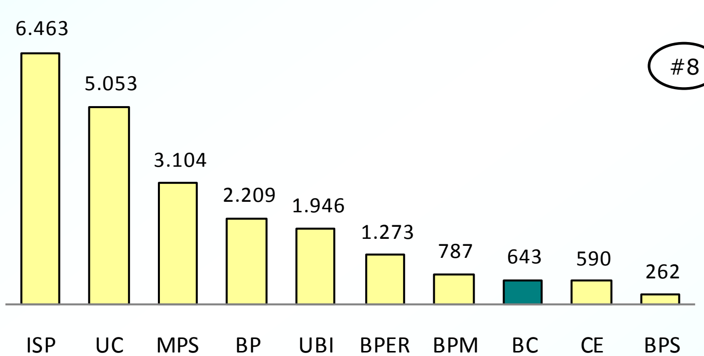
Market Cap(1) (€b)



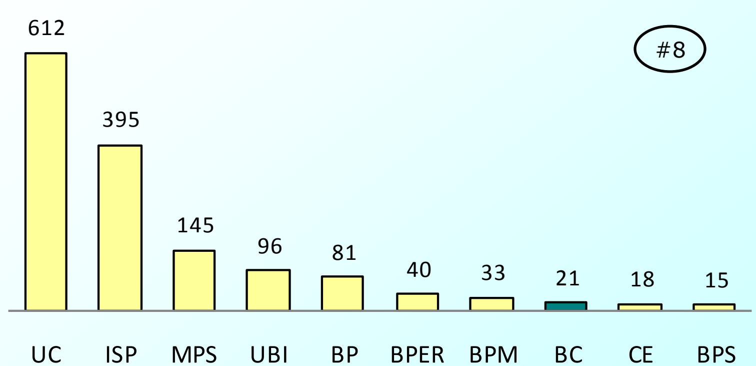
Total Assets FY08 (€b)



Domestic Branch Network FY08 (#)



Customer Loans FY08 (€b)

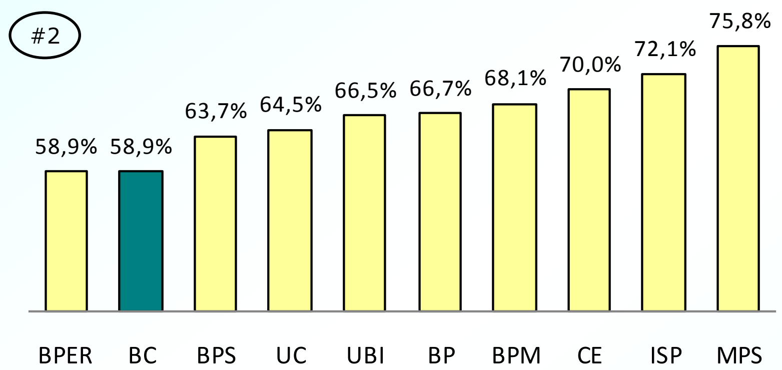


(1) Data as at 27 August 2009

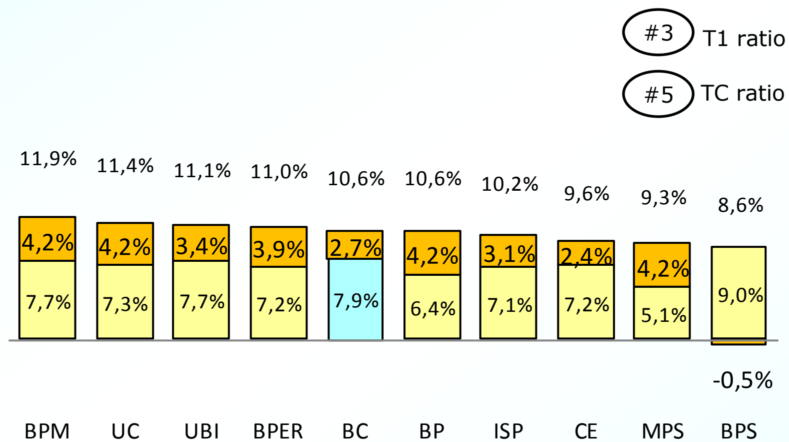
Source: Company data

Among the top 10 Italian banking Groups

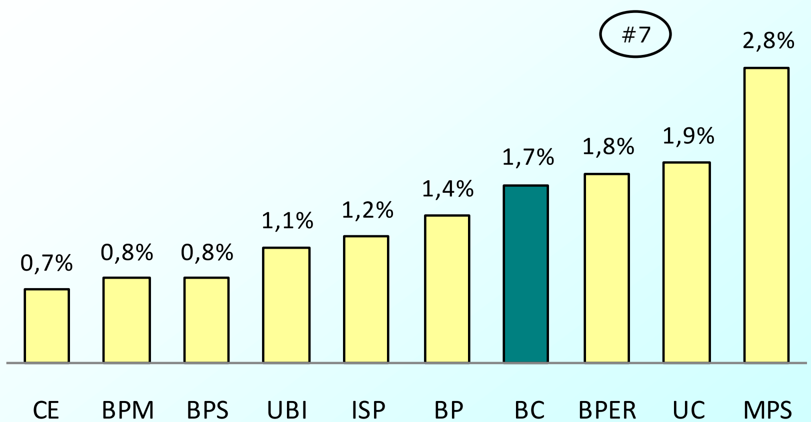
C/I (%) FY08



Tier 1 and Total Capital Ratio (%) FY08



Net NPL ratio (%) 1H09

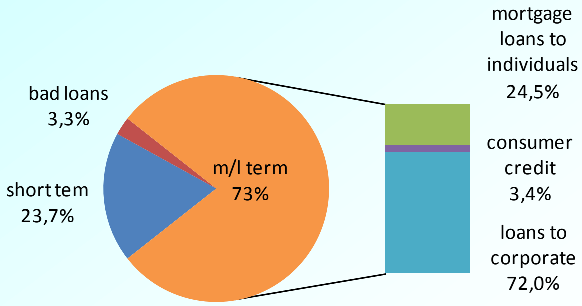


Source: Companyies' data

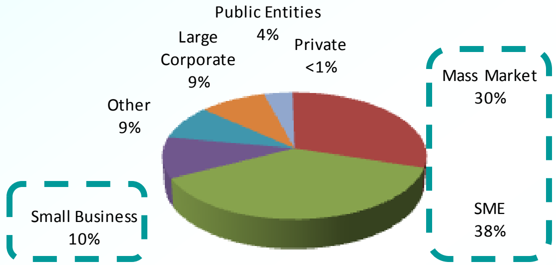
Focus on retail

LOANS

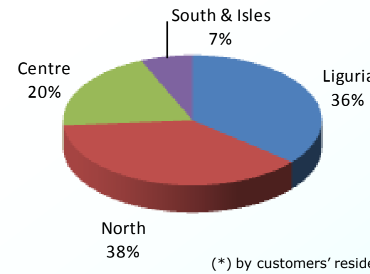
Medium/long term gross loan splitting



by segment



by area (*)

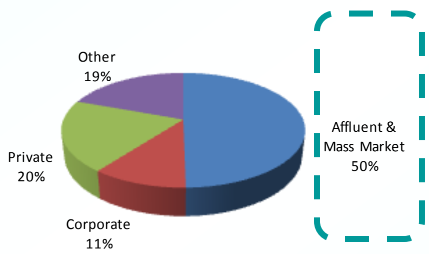


(*) by customers' residence

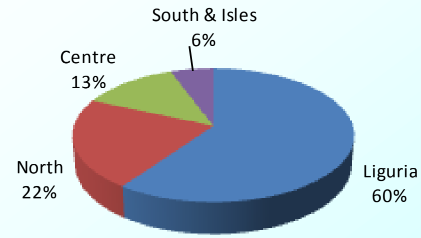
LOANS TO CUSTOMERS 1H09 : 21.9 €b

TOTAL DEPOSITS

by segment



by area



TOTAL DEPOSITS 1H09 : 44.6 €b

Small business = turnover<1 m ; SMEs= <100 m€; Large Corporate= >100 m€

Mass Market: total deposits < 80 k€, Affluent > 80 k€, Private > 500 k€

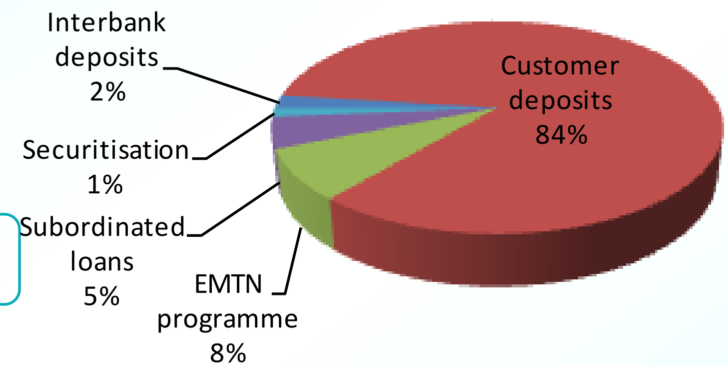
Data as at 30 June 2009

Customer based funding and no pressure on liquidity

Funding

	€m	%
Interbank deposits	**475.6**	**2.0**
money market deposits and current accounts	*205.2*	*0.8*
other deposits	*270.5*	*1.1*
Customer deposits	**20,408.9**	**84.2**
short term deposits	*13,564.1*	*56.0*
medium/long term deposits and bonds	*6,844.8*	*28.2*
EMTN programme	**1,870.0**	**7.7**
deposits	*50.0*	*0.2*
bonds	*1,820.0*	*7.5*
Subordinated loans	**1,142.9**	**4.7**
floating rate bonds	*1,133.0*	*4.7*
convertible fixed rate bonds	*9.9*	*0.0*
Securitisation	**339.7**	**1.4**
RMBS performing securities	*339.7* *	*1.4*
TOTAL FUNDING	**24,237.1**	**100.0**

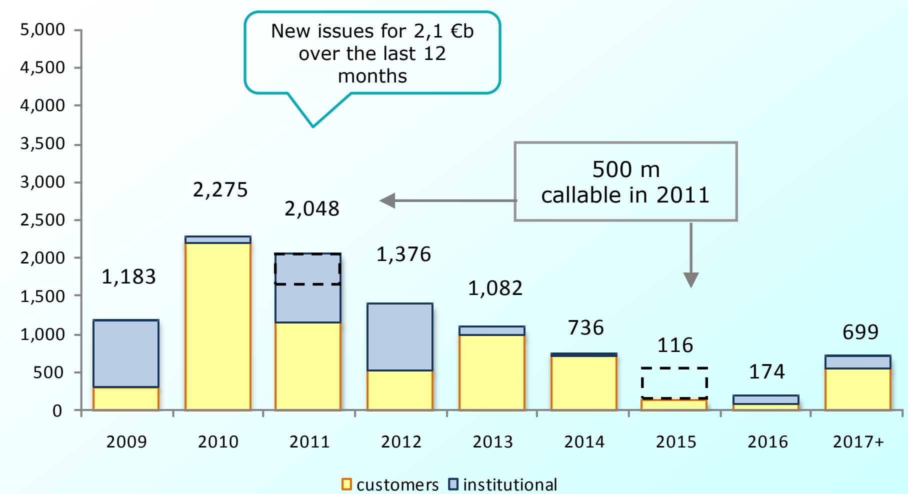
Change
1H09/1H08
+20%



* Funding includes further 101,9 million from the securitization carried out in 2001, derecognised in the financial statement pursuant to the exemption allowed by IFRS 1 on first time adoption

Data as at 30 June 2009

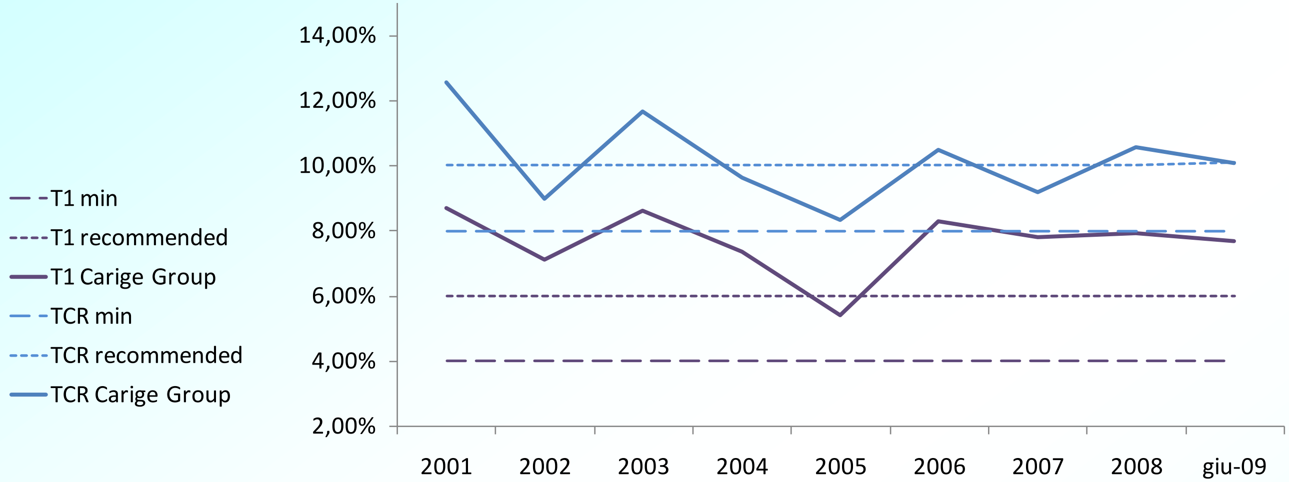
Current Debt Maturity Profile



Data as at July 2009

Robust capital ratios

Capital Ratios



1H09

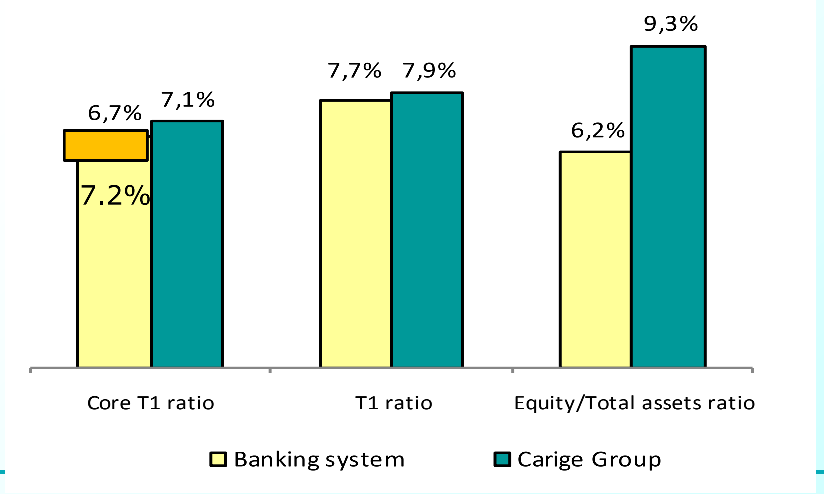
TOTAL CAPITAL RATIO
10.09%

TIER 1 RATIO
7.70%

Core TIER1 RATIO
6.90%

Comparison with the Average Italian Banks' Ratios – FY08

Impact on recapitalisation operations carried out after 31 December 2008, including operations announced by 5 banks (Tremonti bonds)



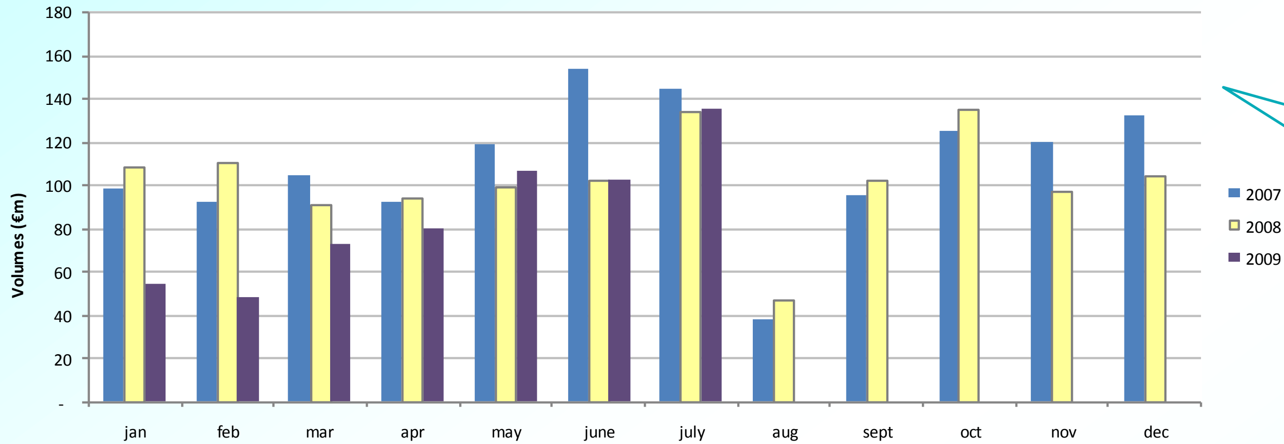
Source: ABI – European Banking Report Observatory

STANDARD & POOR'S	Fitch Ratings	Moody's Investors Service
Short term credit rating: A2 **Long term credit rating: A-** **Outlook: Negative**	**Short term credit rating: F1** **Long term credit rating: A** **Outlook: Stable**	**Short term credit rating: P-1** **Long term credit rating: A2** **Outlook: Stable**
The ratings on Banca Carige SpA reflect the bank's strong franchise in its home Region of Liguria in northwestern Italy, good liquidity, and satisfactory efficiency, underpinned by cost synergies with integrated entities. Asset quality remains lower than that of domestic peers, however. Capitalization is adequate but weighed down by the bank's capital-intensive insurance operations and goodwill paid for branch acquisitions. Although risk management has traditionally been less sophisticated than European peers‛, the bank is progressively upgrading internal procedures.	The ratings of Banca Carige reflect the franchise in its home region of Liguria and its significant expansion throughout Italy, which has resulted in the creation of a nationwide branch network. The ratings are also based on the bank's just adequate performance, which lags peers', a heavy stock of impaired loans and the integration risk inherent in the recent branch acquisitions.	Ratings of Banca Carige SpA reflect the bank's strong franchise in the north-western Italian region of Liguria, its satisfactory financial fundamentals as well as ongoing integration challenges. Despite stronger competition from larger banking groups that have entered the region in recent years, we believe that Carige should be able to defend its franchise thanks to a wide product range and a multi-channel distribution approach.

Source: rating agencies' report

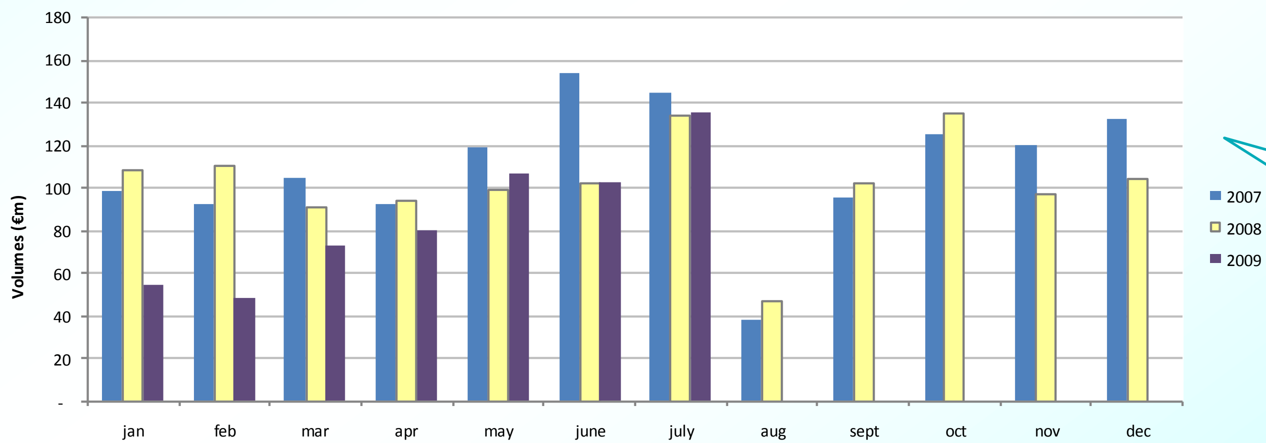
Origination Statistics

Residential mortgages



Residential mortgages as at 30 June 2009
6.4 €b

Commercial mortgages



Commercial mortgages as at 30 June 2009
3.3 €b

Origination and underwriting

Sales force

• All mortgages are originated through a number of direct and indirect channels: 643 banking branches spread across Italy, a network of primary real estate agents and Carige Assicurazioni/Carige Vita Nuova insurance agents

Underwriting

• All mortgages are underwritten at branch level
• The authority that approves the mortgage loan depends mainly on the amount requested
• Underwriting criteria involve scoring and customer limits

Property Valuation

• All mortgage properties are assessed by indipendent appraisers
• All evaluations are based on full physical inspection
• Mortgage properties involve an insurance policy in favour of Carige

Servicing

• Banca Carige performs all of its own servicing

The underwriting process

DATA COLLECTION AND INPUT

Collection of documents from the borrower (financial status & credit performance; as well as property information—location, type)

INTERNAL RATING SCORING*

Assessment of borrower's credit worthiness via internal model, based on borrower's and other available information

CREDIT BUREAU

Borrower's credit check with CRIF

PROPERTY VALUATION

Property appraisal performed by an independent appraiser

ATTRIBUTION OF FILE ACCORDING TO LIMITS

Depending on the borrower's and loan's characteristics and falling within a given category of limit, the file is allocated to the appropriate underwriter for the credit decision

Key facts for credit decision

- Debt to income
- Credit Score*
- Credit period
- LTV
- Age
- CRIF Score*
- Property appraisal report
- Balance sheet analysis

SANCTIONING

Pre-closing procedures:

- Execution of loan & guarantor's contracts
- Signing of insurance contracts & making of insurance payment
- Notarisation of the mortgage contract
- Registration of the property

Closing

* The scoring is part of the process since December 2007 only for Small Business and individuals

The underwriting criteria

- CARIGE's personnel involved in granting mortgages are highly qualified individuals who work at CARIGE's regional head offices or offices specialising in mortgage financing
- The main criteria used by CARIGE in granting a mortgage are as follows:

AFFORDABILITY Debt-to-income	▪ The amount of the instalments payable under each mortgage loan usually does not exceed 40% of the borrower's* total monthly income (net of other debt service) ▪ Additional credit can be given in cases where third parties provide personal or bank guarantees or the borrower grants a pledge over cash or securities in favour of CARIGE
SECURITY Loan-to-value	▪ The initial amount of the mortgage loan should not be higher than 80% of the value of the property to be mortgaged

- Since 2004, the various underwriting criteria are applied via a credit scoring process; it takes approximately 15-20 days to receive approval for the granting of a mortgage loan
- The scoring process for credit approval has been operative since 2007

* Family income rather than uniquely individual income

Overview of the Scoring System

- Different Rating Models have been implemented within CARIGE to specifically assess the credit risk associated with each relevant class of borrower
- Each type of borrower is separately credit-scored based on the applicable specific model
- The classification used to discriminate amongst borrower classes is the following:

Probability of Default (PD): Models

	Application	Behavioural
Retail (private & small business)	Internally developed model incorporating Entrance Score on Credit Bureau	Score model based on behavioural variables and *Centrale Rischi and financial data (when available)*
Corporate	Integrated, internally developed rating model incorporating elementary sub-models (*Financial data*, *Centrale Rischi and Qualitative Information*)	Integrated, internally rating model incorporating financial sub-model, quantitative and qualitative information
Large Corporate	External Financial scoring integrated with Judgemental valuation (Centrale Rischi and Qualitative Information)	

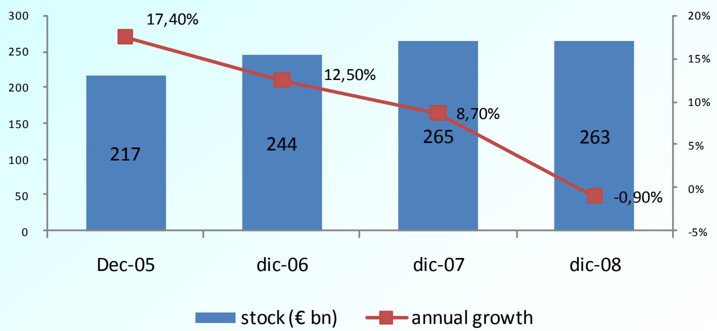
Results and analysis must be integrated and led back to a common rating scale (master scale)

Servicing and delinquency management process

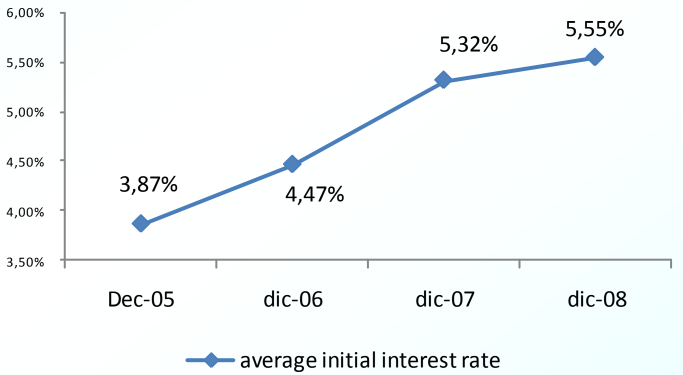
- Sales force
- Underwriting
- Property Valuation
- **Servicing**

Normal servicing	1st unpaid instalment	2nd unpaid instalment	Delinquency extends beyond six months
• Performed at branch level and partially at central level •Most payments are collected via direct debit procedure	• the branch contacts informally the borrower	• The borrower automatically receives a standard letter •The reference manager for the client segment handles the relationship •In most cases Carige agrees a longer maturity or lower instalments	• A letter threatens to start a legal action • If the letter and the measures taken by the branch prove ineffective the loan is passed to the central recovery unit, which a last attempt of out-of-court recovery, begins a legal action

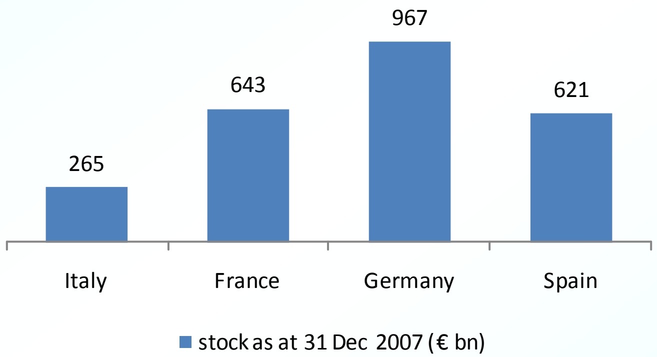
In recent years the rapid mortgage growth has slowed down…



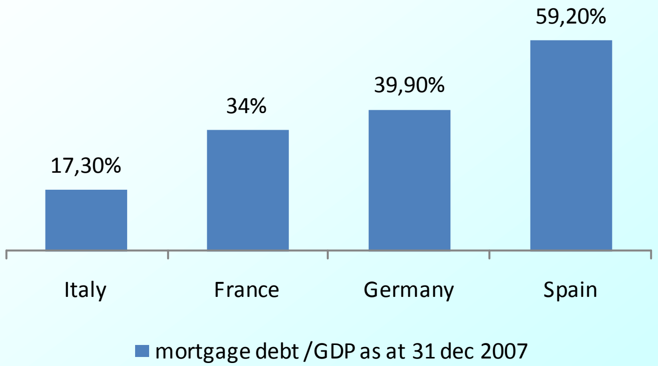
…partly in response to rising interest rates



The Italian mortgage market has a limited size…



…and Italy shows the lowest mortgage debt-to-GDP ratio of any major Western European nation

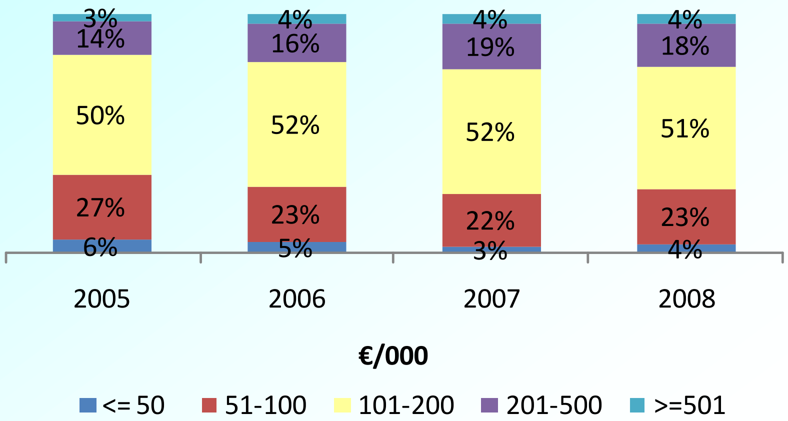


Sources: ECB, Bank of Italy, Agenzia del territorio

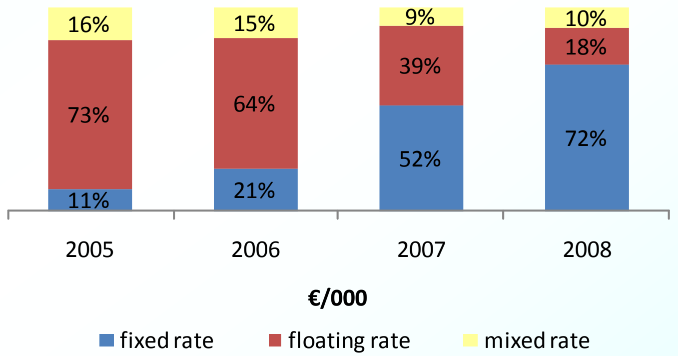
GRUPPO CARIGE

The mortgage profile

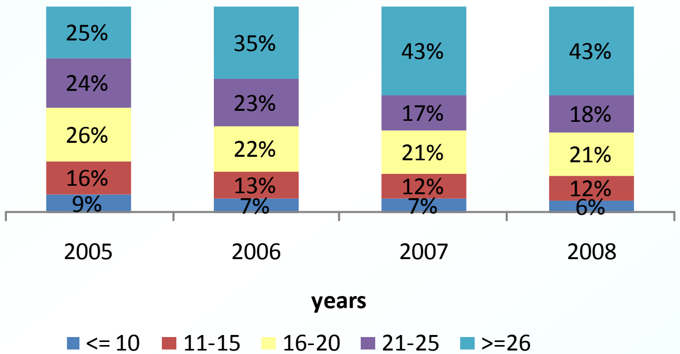
The size of mortgage loans has been moderately rising over the years.



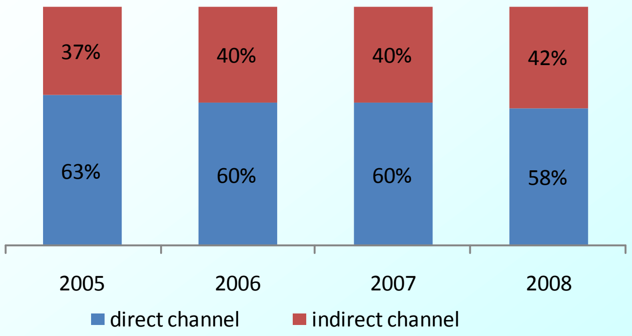
Until very recently, most mortgages were floaters: only during the last year the uptake of fixed rate mortgages increased dramatically.



Because of the larger loan size and rising interest rates lenders have gradually raised the mortgage tenor.



Indirect channel has gradually gained importance

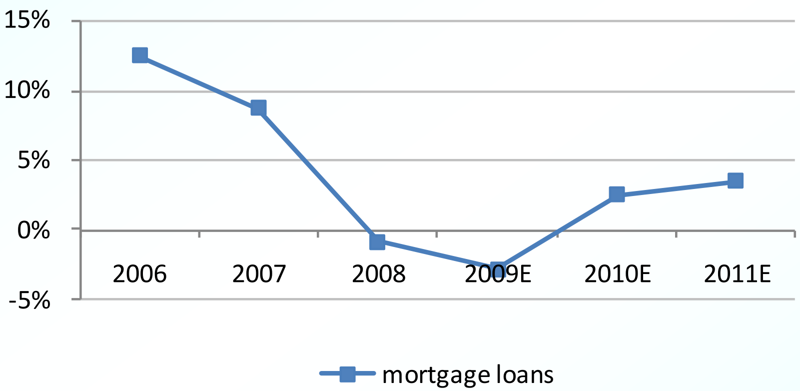


Sources: Osservatorio Assofin

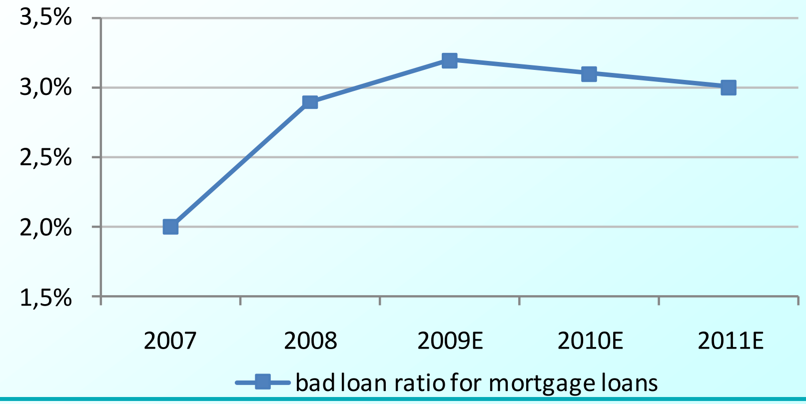
Italy’s macroeconomic overview

	2008	2009 E	2010E
GDP	-1.0%	-5.3%	0.1%
Inflation rate	3.3%	1.0%	1.4%
Unemployment rate	6.8%	7.8%	9.5%
Loans	+4.9%	+1.4%	+3.9%
Direct deposits	+7.4%	+4.9%	+4.2%
Indirect deposits	-8.9%	+2.2%	+4.8%

Mortgage loans are expected to slow down in 2009. A recovery is expected only in 2010



Credit quality for mortgage loans is expected to deteriorate in 2009. A slight improvement is expected for 2010 and 2011, but quality remains worse than last years average

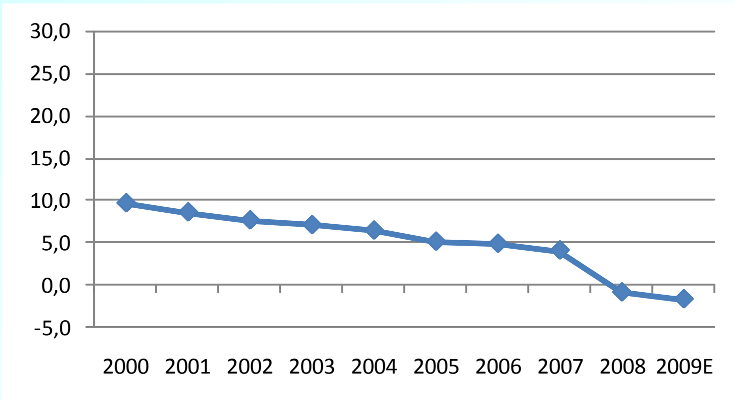


Sources: Prometeia, CRIF, ABI, ISVAP

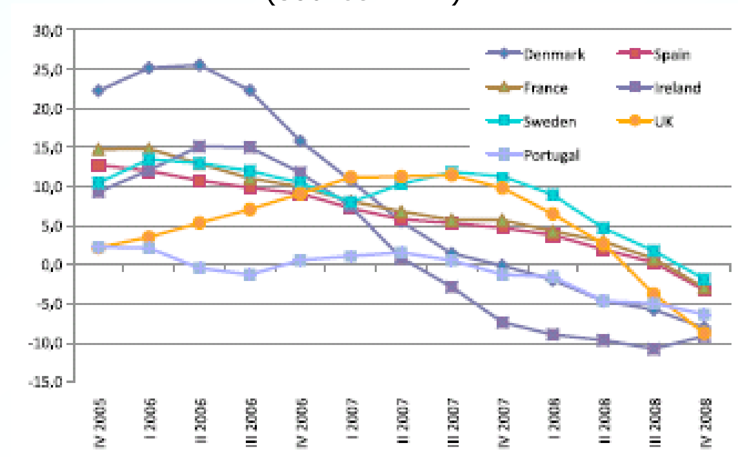
House prices in Italy

Over years house prices in Italy show a more stable trend in comparison to other European countries

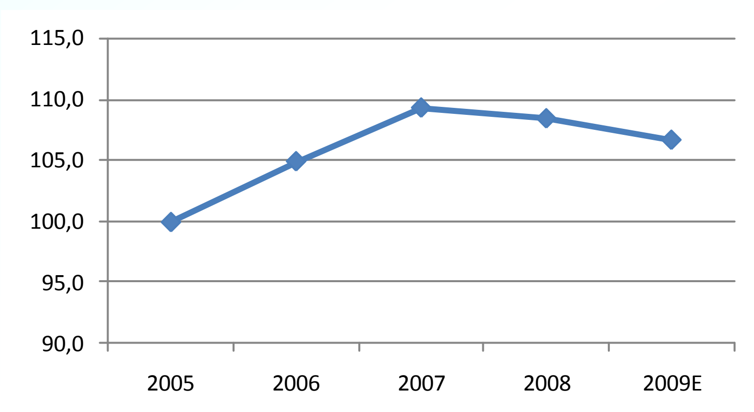
Italy: Nominal house prices yoy growth rates
(source: Scenari Immobiliari)



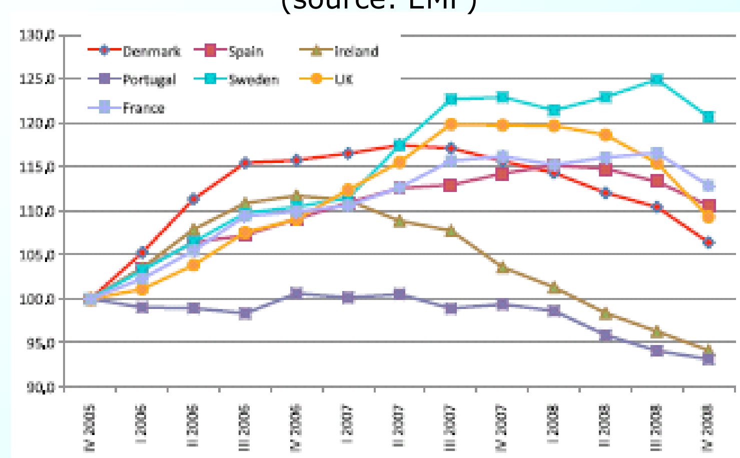
Europe: Nominal house prices yoy growth rates
(source: EMF)



Italy: Nominal house price index
(source: Scenari Immobiliari)



Europe: Nominal house price index
(source: EMF)



Issuer description

Mortgage business

Italian mortgage market

Italian covered bond regulation

Covered bond programme

Annex 1: Priority of payments and Programme tests

Annex 2: Default and prepayment analysis

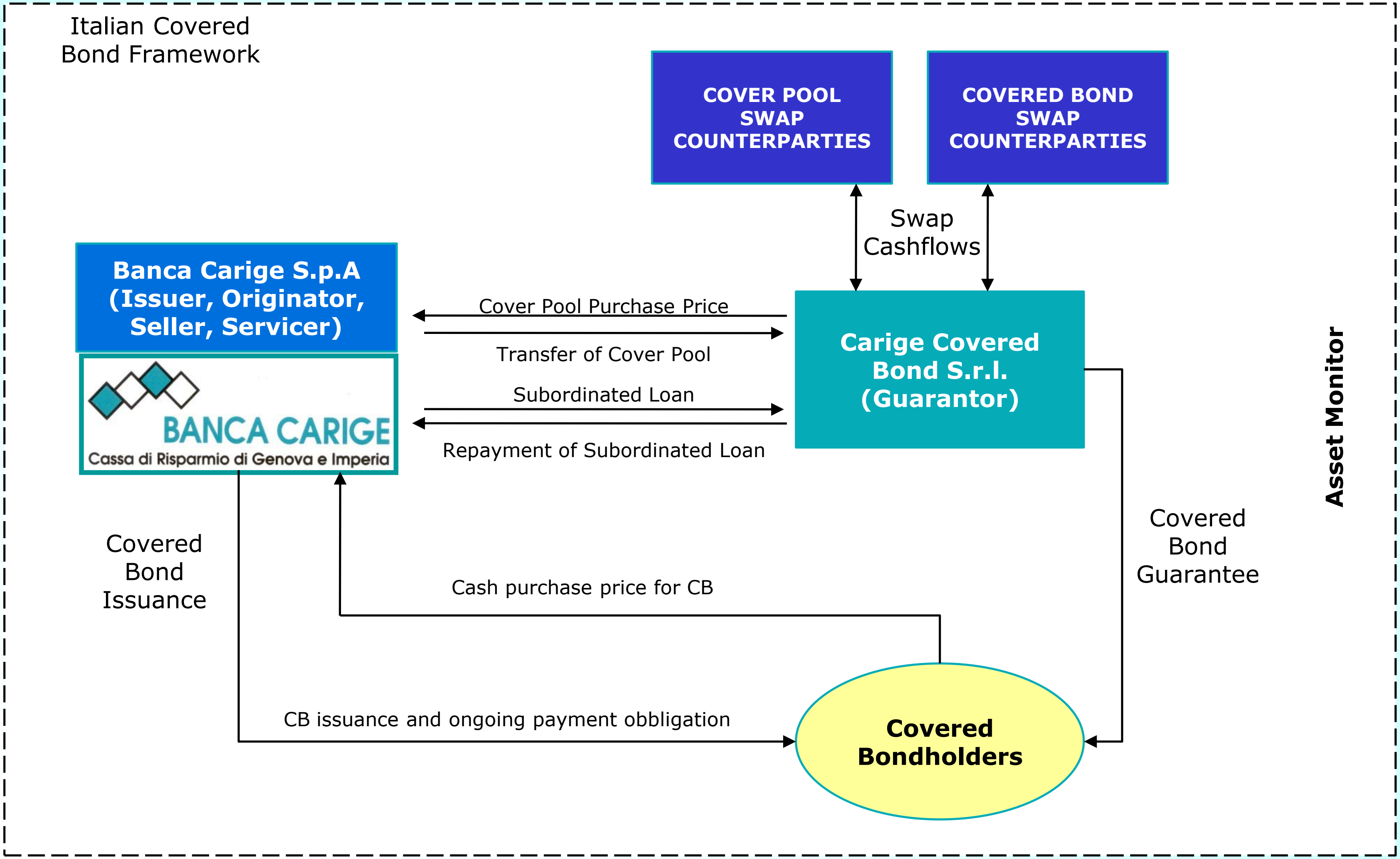
Italian legal framework/1

The Italian legal framework is based on: Italian existing securitisation law (l.130/99) and amendments – Bank of Italy instructions issued on 17 may 2007 – Ministry of Economy & Finance regulation 310

Special banking principles	Any Italian bank fulfilling specific issuance criteria
Asset allocation	Cover assets are segregated through the transfer to a separate entity
Inclusion of hedge positions	Hedge positions are part of the structural enhancements intended to protect bondholders
Substitute collateral	Up to 15%
Restrictions incl. Commercial mortgages	no
Geographical scope for public assets	EEA states and Switzerland, subject to a maximum risk weighting of 20% and up to 10% of the cover pool Non-EEA states or local authorities subject to a maximum risk weighting of 20%
Geographical scope for mortgage assets	EEA and Switzerland
LTV barrier residential	80%
LTV barrier commercial	60%
Basis for valuation	Market value. The approach needs approval from Bank of Italy and is verified by an indipendet auditor
Special supervision	Bank of Italy

Italian legal framework/2

Protection against mismatchig	The nominal value of the cover pool assets must at all times be at least equal to the nominal value of the OBG outstanding. Tne NPV of the cover pool must be at least equal to the NPV of the OBG issue. Furthermore the cover pool assets need to accrue sufficient interest to cover interest payment on the OBG outstanding
Protection against credit risk	Sponsor banks may replace non-performing loans
Protection against operative risk	Stipulated through contractual rules
Mandatory over –collateralisation	Expected to be subject to an asset coverage test
Voluntary overcollateralisation is protected	yes
Bankrupcy remoteness of the issuer	No, but all assets are ring-fenced within a special separated entity
Outstandig OBG to regulatory capital	Depending on T1 ratio and TC ratio. There is no limit to the portion of eligible assets to be included in the pool as long as the respective bank maintains a TC ratio above or equal to 11% and T1 ratio above or equal to 7%; 60% limit exists in case of TC ratio between 10% (included) and 11%, and T1 ratio above or equal to 6.5%; 25% limit in case of Tc ratio between 9% (included) and 10%, and T1 ratio above or equal to 6%. Issuance is restricted to banks (or banking groups) complying with two limits: consilidated regulatory capital above or equal to 500 million and TC ratio above or equal to 9%
1st claim in the event of insolvency	All payments are received from the special entity's assets. These payments are expected to be collected in a separate account
External support mechanims	In the event of insufficient pool assets proceeds to cover their claim, investor rank pari passu with senior debt holder. There is a simultaneous unsecured dual claim against the issuer and secured against the portfolio held by the specilally searated identity.
Compliant with UCITS Art.22 par 4.	Yes
Compliance with RCD	Yes


Italian Covered Bond Framework
COVER POOL SWAP COUNTERPARTIES
COVERED BOND SWAP COUNTERPARTIES
Swap Cashflows
Banca Carige S.p.A (Issuer, Originator, Seller, Servicer)
BANCA CARIGE
Cassa di Risparmio di Genova e Imperia
Cover Pool Purchase Price
Transfer of Cover Pool
Subordinated Loan
Repayment of Subordinated Loan
Carige Covered Bond S.r.l. (Guarantor)
Asset Monitor
Covered Bond Issuance
Cash purchase price for CB
Covered Bond Guarantee
CB issuance and ongoing payment obbligation
Covered Bondholders

Summary of the programme

Issuer	Banca Carige S.p.A. ; rating A / A2 / A- (Fitch / Moody's / S&P's)
Seller	Banca Carige S.p.A.
Programme size	€ 5 billion
Guarantor	Carige Covered Bond S.r.l., estabilished pursuant to Law 130/1999
Cover pool	Italian prime, first economic lien residential mortgages and commercial mortgages originated by the seller
Expected issue rating	Aaa/AAA (Moody's/Fitch)
Maximum LTV	80% for residential mortgages and 60% for commercial mortgages
Segregation of collateral	Collateral sold to the guarantor is segregated for the benefit of coverd bond holders and other secured parties in the context of vthe programme
Listing	Coverd Bonds are ammitted to trading to the Luxenbourg Stock Exchange
Over-collateralisation	The asset coverage test is intended to ensure that on any monthly calculation date, the adjusted aggregate loan amount is at least equal to the aggregate principal amount outstanding of the covered bonds.
Calculation agent	Banca Carige S.p.A.
Arranger	UBS Limited and Natixis
Dealers	UBS, Natixis and any other dealer appointed from time to time in accordance with the programme agreement
Asset monitor	Mazars & Guérard S.p.A. is the initial asset monitor
Governing law	Italian , except for the swap agreement's and the deed of charge, which will be governed by the English Law and the French Deed of Pledge (French law)
Representative of CB Holders	Deutsche Trustee Company Limited

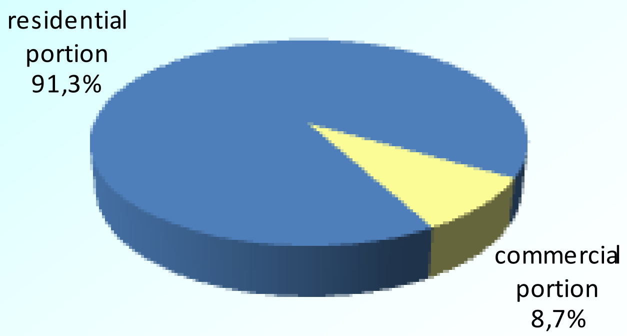
Cover Pool Highlights/1

	TOTAL PORTFOLIO	RESIDENTIAL PORTION	COMMERCIAL PORTION
Balance (€)	**1,345,417,771**	1,227,823,931	117,593,840
% of Pool	**100.0%**	91.3%	8.7%
Number of Loans	**16,370**	15,429	941
Average Loan Balance	**82,188**	79,579	124,967
WA Seasoning (Months)	**245**	252	166
WA Remaining Term (Months)	**198**	209	84
Number of Borrowers	**16,370**	15,429	941
WA LTV	**46.45%**	48.83%	21.66%
WA Interest Rate on Floating Rate Loans (%)	**4.71%**	4.78%	4.10%
WA Margin on Floating Rate Loans (bps)	**169**	173	133
WA Interest Rate on Fixed Rate Loans (%)	**5.81%**	5.81%	5.86%
Currency	**Euro**	Euro	Euro

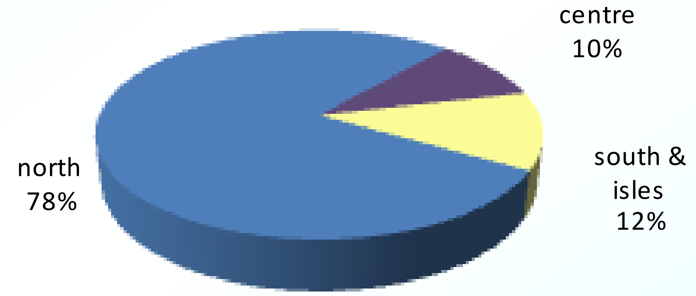
Data as at 30 June 2009

Cover Pool Highlights/2

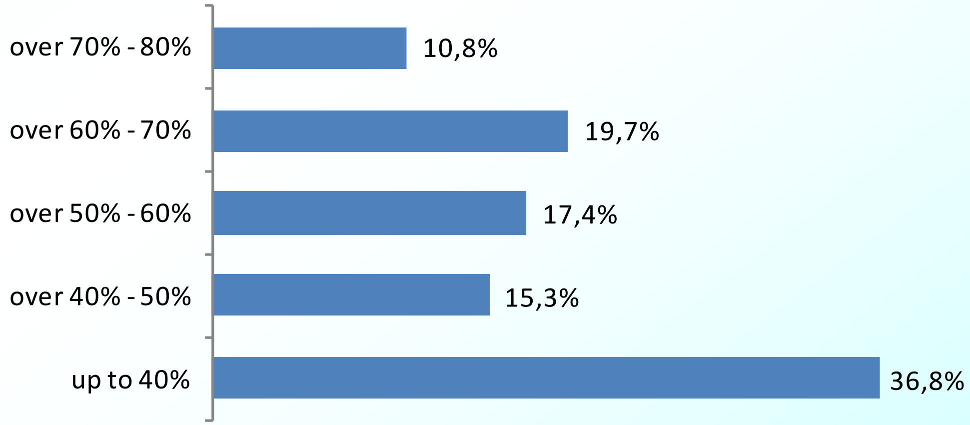
Commercial/Residential



Geographical distribution



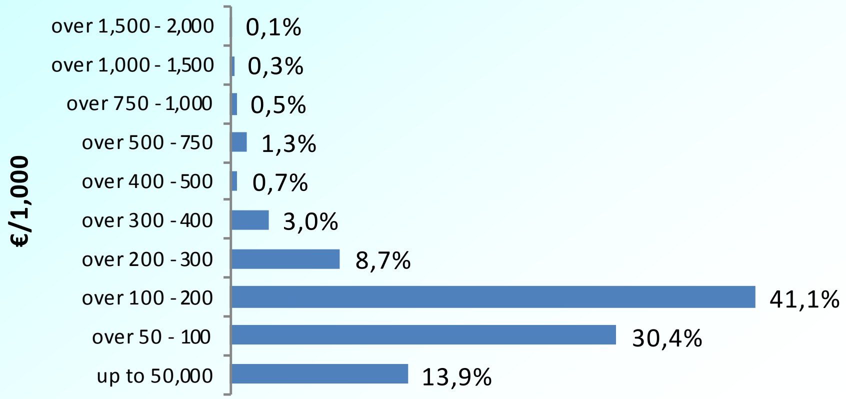
Current LTV



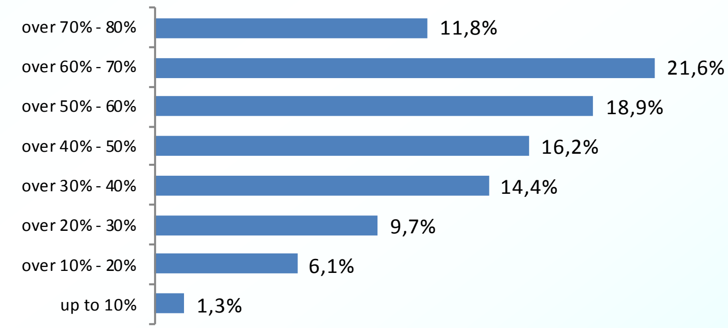
Figures refer to volume of originated mortgages - **Data as at 30 June 2009**

Update - Residential Portion Breakdown/1

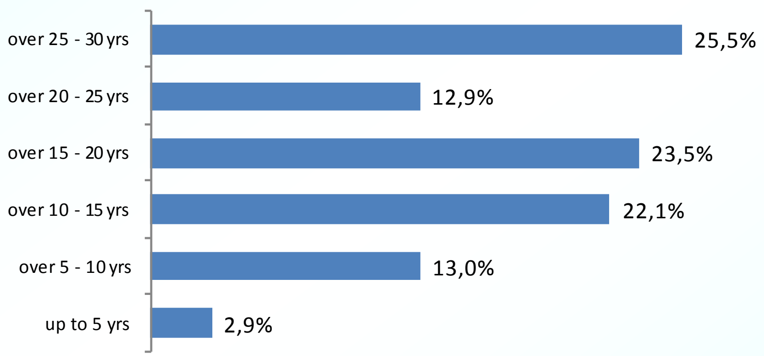
Current Loan Balance



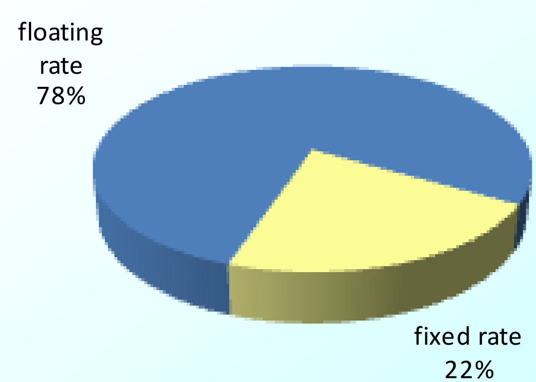
Current LTV



Remaining Term



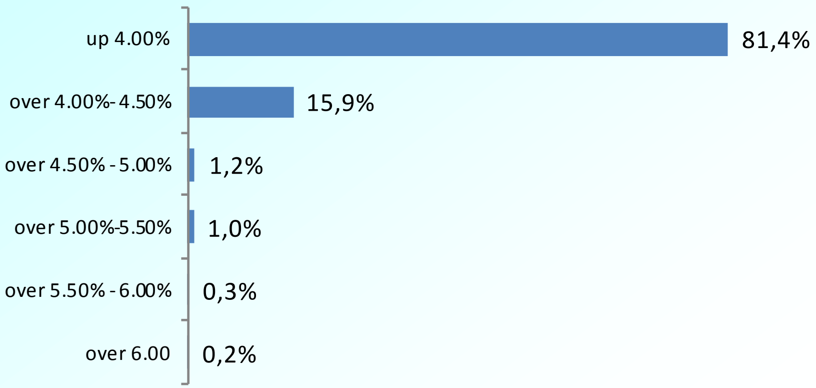
Interest Rate Type



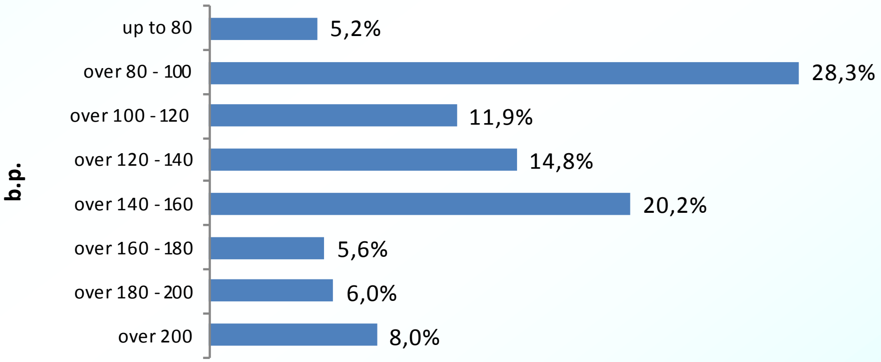
Figures refer to volume of outstanding mortgages - **Data as at 30 June 2009**

Update - Residential Portion Breakdown/2

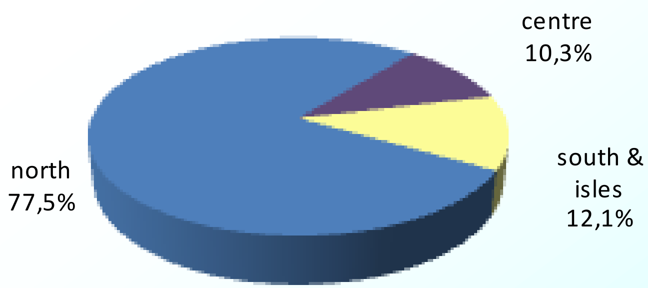
Current Interest Rates



Margins



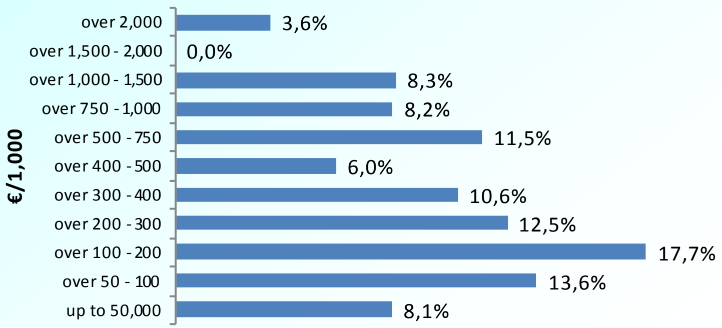
Geographical distribution



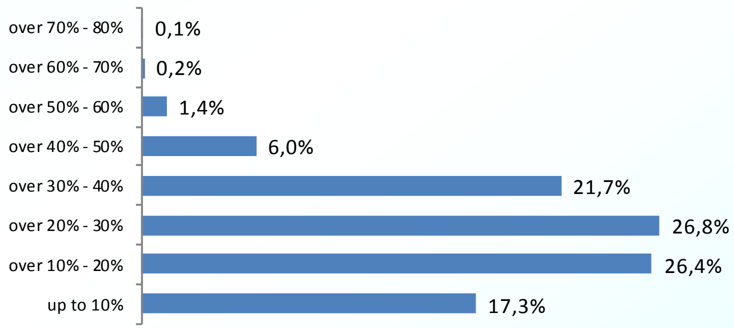
Figures refer to volume of outstanding mortgages - **Data as at 30 June 2009**

Update - Commercial Portion Breakdown/1

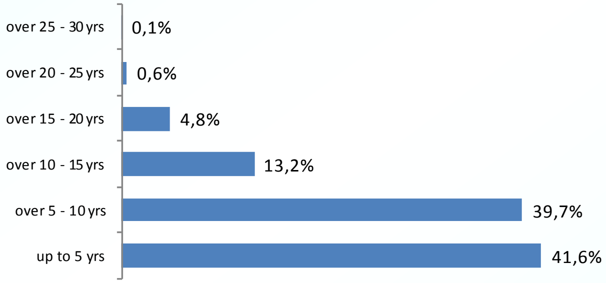
Current Loan Balance



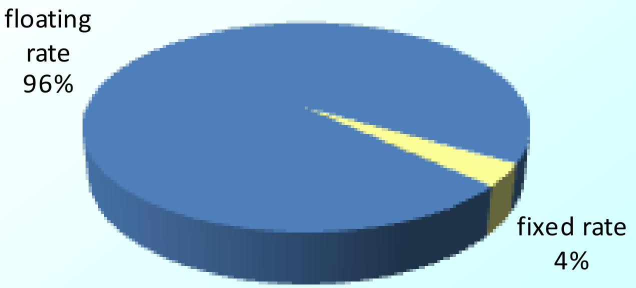
Current LTV



Remaining Term



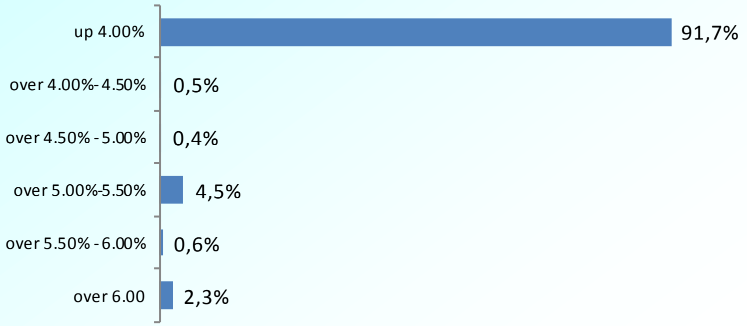
Interest Rate Type



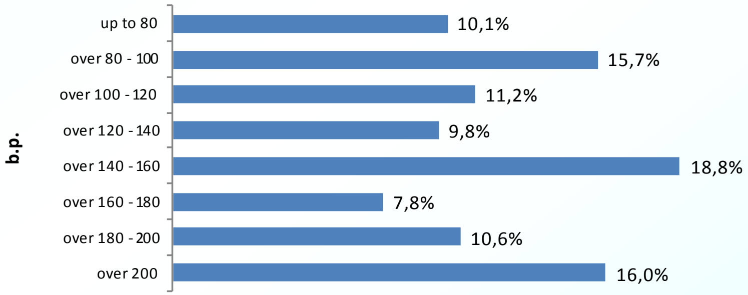
Figures refer to volume of outstanding mortgages - **Data as at 30 June 2009**

Update - Commercial Portion Breakdown/2

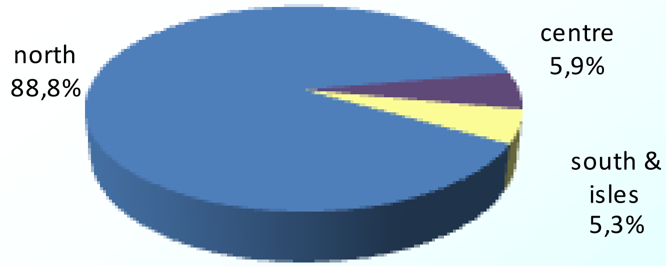
Current Interest Rates



Margins



Geographical distribution



Figures refer to volume of outstanding mortgages - **Data as at 30 June 2009**

Priority of payments: pre-issuer event of default

Prior to the service of a notice to pay, the guarantor will use interest and principal available funds to make payments or to make provisions towards payments due before the guarantor payment date 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):

Interest priority of payments
i) Taxes due and payable by the guarantor
ii) Guarantor's documented fees, costs, expenses
iii) Any amount due and payable to the Representative of the Covered Bondholders
iv) Any amount due and payable pari passu and pro rata according to the respective amounts thereof, the Cash Manager, the Calculation Agent, the Corporate Servicer, the Asset Monitor, the Italian Account Bank, the French Account Bank, the Principal Paying Agent, the Italian Paying Agent and the Servicer
v) Any interest amount due to the mortgage pool swap counterparty and the asset swap counterparty
vi) Interest amounts due to the covered bond swap counterparties, pro rata and pari passu in respect of each relevant covered bond swap and any base interests due and payable on each guarantor payment date to the seller
vii) Credit to the reserve account an amount required to ensure that the it is funded up to the reserve required amount
viii) Credit all remaining interest available funds to the transaction account until such servicer termination event is either remedied or waived by the representative of the covered bondholders or a new servicer is appointed
ix) Any excluded swap termination amount
x) to pay any premium interests on the subordinated loan, provided that no breach of tests has occurred and is continuing

Principal priority of payments
i) any amount due and payable under items i) to vi) of the 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) acquire subsequent receivables of eligible assets and/or integration assets to ensure that the asset coverage test and the mandatory tests are met
iii) any principal amounts due or to become due and payable to the relevant covered bond swap counterparties pro rata and pari passu in respect of each relevant covered bond swap in accordance with the terms of the relevant covered bond swap agreement and the amounts due or to become due and payable under the subordinated loan

Issuer event of default

Issuer Event of Default

- failure for a period of 15 days or more to pay any principal or redemption amount or any interest on the cb of any series or tranche when due
- breach of any material obligations under or in respect of the covered bonds or any of the transaction documents to which it is a party and such failure remains unremedied for 30 days after the representative of the covered bondholders has given written notice
- following the delivery of a breach of test notice, the tests are non met at, or prior to, the next calculation date
- the pre-maturity test is breached on a pre-maturity test date falling less than six months prior to the maturity date and the breach has not been cured before the earlier of (i) 10 business days from the date that the issuer is notified of the breach of the pre-maturity test and (ii) the maturity date
- an insolvency event of the issuer
- an article 74 (italian banking act) event

Enforcement of the CB Guarantee

- the representative of the covered bondholders will serve a notice on the issuer and guarantor that an issuer event of default has occurred
- upon the service of a notice to pay:

(a) each series or tranche of covered bonds will accelerate against the issuer and they will rank pari passu amongst themselves against the issuer

(b) the guarantor will pay any amounts due under the covered bonds on the due for payment date in accordance with the provisions of the covered bond guarantee;

(c) the mandatory tests shall continue to be applied and the amortisation test shall be also applied;

Post-issuer event of default priority of payments

On each guarantor payment date the guarantor will use the available funds, to make payments or to make provisions towards payments due before the following guarantor payment date in the order of priority:

i) pay, *pari passu and pro rata according to* the respective amounts any expenses and taxes

ii) pay any amount due and payable to the representative of the covered bondholders, *pari passu and pro rata according to the* respective amounts, the cash manager, the calculation agent, the corporate servicer, the asset monitor, the italian account bank, the french account bank, the principal paying agent, the italian paying agent, the cover pool manager and the servicer

iii) pay pro rata and pari passu: interest payments due to the swap counterparties and interest due under the covered bond guarantee in respect of each series or tranche of covered bonds

iv) pay *pro rata and pari passu: principal* payments due to the swap counterparties and principal due under the covered bond guarantee

v*) pay pro rata and pari passu, any excluded swap termination amount due and payable by the guarantor*

vi) repay of amounts outstanding under the subordinated loan agreement

Guarantor event of default

Guarantor Event of Default

➢ failure by the guarantor for a period of 15 days or more to pay any amounts due for payment in respect of the covered bonds
➢ breach of the mandatory tests or the amortisation test
➢ breach by the guarantor of any material obligations under or in respect of the covered bonds or any of the transaction documents to which it is a party, and such failure remains unremedied for 30 days after the Representative of the Covered Bondholders has given written notice thereof to the issuer
➢ an insolvency event of the guarantor

Acceleration Notice

➢ the representative of the covered bondholders shall serve a notice on the guarantor that a guarantor event of default has occurred, unless the representative of the covered bondholders resolves otherwise or an extraordinary resolution is passed resolving otherwise.
➢ upon the service of the acceleration notice, all covered bonds will become immediately due and payable by the guarantor at their early redemption amount, together with any accrued interest and they will rank *pari passu* amongst themselves.

Post-Issuer Event of Default Priority of Payments (After Guarantor Default)

On each Guarantor Payment Date, following a Guarantor Event of Default and service of an Acceleration Notice, the Available Funds will be used to make payments in the order of priority set out below:

Pay, pari passu and pro rata according to the respective amounts thereof, any Expenses and taxes
Pay any amount due and payable to the Representative of the Covered Bondholders
Pay, *pari passu* and *pro rata*, according to the respective amounts thereof, any amount due and payable to the Servicer, the Cash Manager, the Italian Account Bank, the French Account Bank, the Calculation Agent, the Corporate Servicer, the Paying Agents, The Asset Monitor, the Cover Pool Manager (if any)
Pay, *pro rata* and *pari passu*, principal and interests due to the Swap Counterparties and principal and interests due under the Covered Bond Guarantee in respect of each Series or Tranche of Covered Bond
Pay, *pro rata* and *pari passu*, any Excluded Swap Termination Amount due and payable by the Guarantor
Pay any remaining moneys towards repayments of amounts outstanding under the Subordinated Loan Agreement

Nominal Value Test

- The Nominal Value Test (NVT) ensures that, on each Calculation Date the outstanding aggregate notional amount of the asset comprised in the Cover Pool shall be at least equal to, or higher than, the aggregate notional amount of all outstanding Series of Covered Bonds

Net Present Value Test

- The Net Present Value Test (NPTV) ensure that on each Calculation Date the net present value of the Cover Pool shall be at least equal to, or higher than, the net present value of the outstanding Covered Bonds, also taking into account the payments expected to be received under the hedging arrangements

Interest Coverage Test

- The Interest Coverage Test (ICT) ensures that on each Calculation Date the amounts of interests and other revenues generated by the assets included in the Cover Pool, net of the costs borne by the Guarantor, shall be at least equal to, or higher than, the interests and costs due by the Issuer under the Covered Bonds, taking also into account any hedging arrangements entered into in relation to the transaction

Asset coverage test (ACT)/1

the issuer undertakes to procure that on any monthly calculation date the adjusted aggregate loan amount is at least equal to the aggregate principal amount outstanding of the covered bonds

adjusted aggregate loan amount means an amount equal to **A+B+C+D-Y-Z**

A is equal to the lower between:

1. the sum of the LTV adjusted principal balance of each mortgage loan in the cover pool which shall be the lower of (1) the actual outstanding principal balance of the relevant mortgage loan and (2) the latest valuation relating to that mortgage loan multiplied by
   - 80% for residential mortgage loan
   - 60% for commercial mortgage loan
   - 40% for all delinquent receivables
   - 0% for all default receivables

   minus
   - mortgage loan in breach of the representations and warranties (**affected loan**)
   - the resulting financial loss incurred by the guarantor in the immediately preceding collection period (**breach related loss**)

2. the aggregate asset percentage adjusted principal balance minus any breach related losses. the **asset percentage adjusted principal balance** shall be the **asset percentage** multiplied by the lower between:
   - the actual outstanding principal balance
   - the latest valuation relating to the mortgage loan multiplied by n (n=1 for all mortgage loans, n=40% for delinquent receivables; n=0 for all default receivables

   minus
   - the **asset percentage adjusted principal balance** of the mortgage loan deemed as affected loan

Asset coverage test (ACT)/2

B is equal to the aggregate of the amounts standing to the credit of the Accounts

C is equal to the aggregate outstanding principal balance of any Integration Assets

D is equal to the aggregate outstanding principal balance of any Public Assets and ABS

Y is equal to nil if the issuer's senior unsecured ratings are at least f1 by fitch and p-1 by moody's, othewise the **potential set-off amount**

Z is equal to the weighted average remaining maturity of all covered bonds then outstanding multiplied by the aggregate principal amount outstanding of the covered bonds multiplied by the **negative carry factor.**

potenzial set-off amounts means a percentage of the cover pool that could potentially be subject to set-off risk by the relevant debtors which will be deemed appropriate to cover such set-off risk

negative carry factor is a percentage calculated by reference to the weighted average margin of the covered bonds and will, in any event, be not less than 0,50%

asset percentage may not, at any time, exceed 90%: from the calculation date falling on may 22, 2009, the asset percentage is equal to 82%

The Amortisation Test is calculated only after an issuer event of default

For the purpose of calculating the Amortisation Test, the Amortisation Test Aggregate Loan Amount means an amount equal to

A+B+C+D-Z

A is the lower of:

- The actual Oustanding Principal Balance of each Mortgage Loan multiplied by M
- The Latest Valuation multiplied by M

M is equal to: 80% for residential mortgage loans

60% for commercial mortgage loans

40% for all Delinquent Receivables

0% for all Default Receivables

B is equal to the aggregate of the amounts standing to the credit of the Accounts

C is the aggregate outstanding principal balance of any Integration Assets

D is the aggregate outstanding principal balnce of any Public Assets and ABS

Z is the weighted average remaining maturity of all Covered Bonds then outstanding multiplied by the aggregate Principal Amount Outstanding of the Covered Bonds multiplied by the Negative Carry Factor

- The calculation agent determines that the tests are not met according to the respective formulas
- The calculation agent will specify the qualitative and quantitative aspects of the shortfall in the cover pool that caused the relevant test to be breached

Occuring of a breach

The guarantor shall to any possible extent use the available funds

OR

The seller shall sell sufficient eligible assets and/or integration assets to the guarantor

OR

The guarantor shall purchase sufficient eligible assets or integration assets from additional sellers

Issuer description

Gruppo Carige’s mortgage business

Italian mortgage market

Italian covered bond regulation

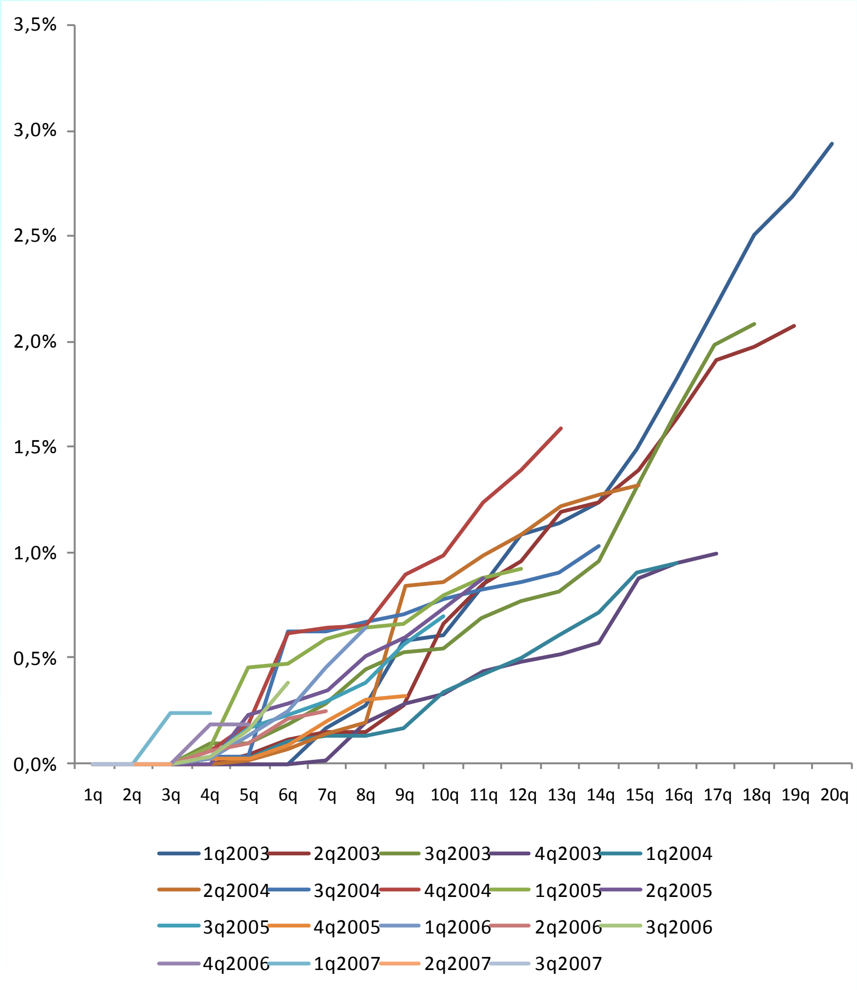
Covered bond programme

Annex 1: Priority of payments and Programme tests

Annex 2: Default and prepayment analysis

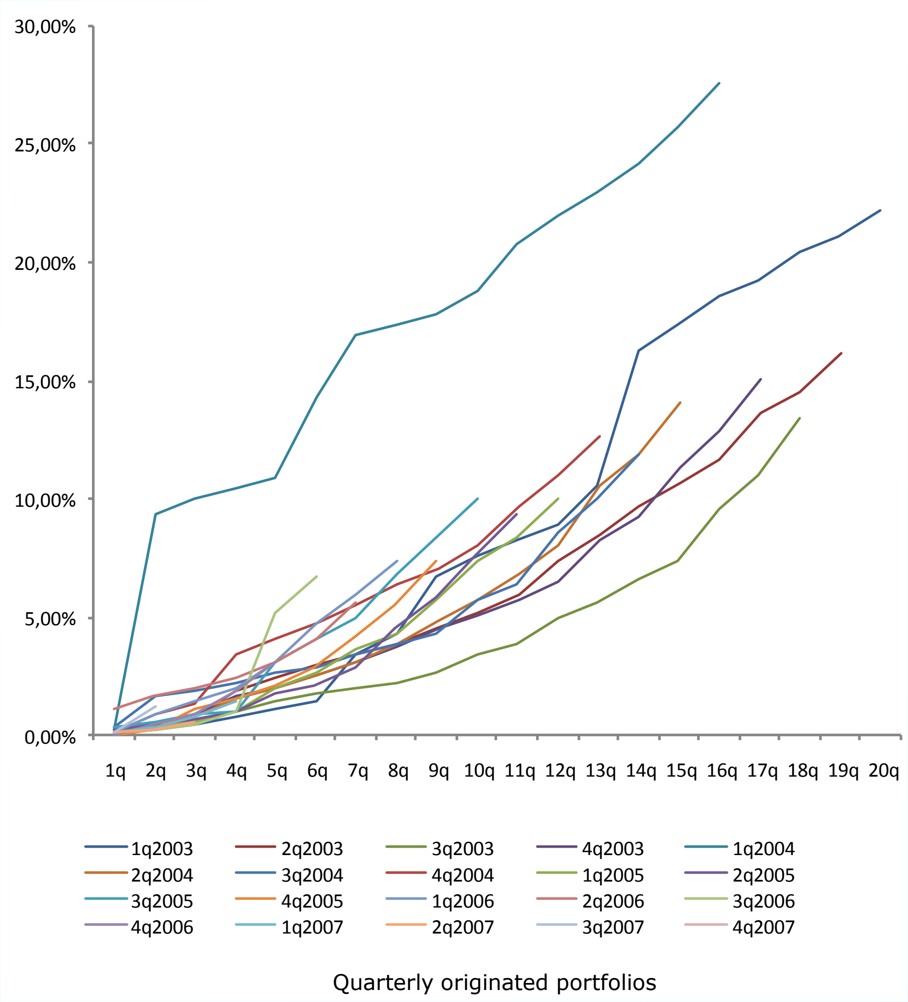
Defaults and prepayments static analysis

Default analysis (1) (2)



Quarterly originated portfolios

Prepayment analysis (2)



Quarterly originated portfolios

(1) Defaults = more than 180 days in arrears
(2) Analysis includes both commercial and residential mortgages

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The manager responsible for preparing the company's financial reports Daria Bagnasco, Director in charge of Planning and Accounting of Banca CARIGE S.p.A., declares, pursuant to paragraph 2 of Article 154 bis of the Consolidated Law on Finance, that the accounting information contained in this presentation corresponds to the document results, books and accounting records.

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