

SUPPLEMENT DATED 9 NOVEMBER 2011 TO THE COVERED BOND PROSPECTUS DATED 9 AUGUST 2011



Unione di Banche Italiane S.c.p.a.

(incorporated as a joint stock co-operative company limited by shares in the Republic of Italy registered at the Companies Registry of Bergamo under registration number 03053920165)

**Euro 10,000,000,000 (*Obbligazioni Bancarie Garantite*) Covered Bond Programme
unconditionally and irrevocably guaranteed as to payments
of interest and principal by**

UBI Finance S.r.l.

(incorporated as a limited liability company in the Republic of Italy and registered at the Companies Registry of Milan under registration number 06132280694)

This supplement (the "**Supplement**") to the Prospectus dated 9 August 2011 (the "**Prospectus**"), which stands for a base prospectus under Article 5.4 of Directive 2003/71/EC (the "**Prospectus Directive**"), constitutes a supplementary prospectus for the purposes of Section 87G of the Financial Services and Markets Act 2000 (the "**FSMA**") and is prepared in connection with the Euro 10,000,000,000 (*Obbligazioni Bancarie Garantite*) Covered Bond Programme (the "**Programme**") of Unione di Banche Italiane S.c.p.a. (the "**Issuer**" or "**UBI Banca**").

This Supplement is supplemental to, and shall be read in conjunction with, the Prospectus and any other supplements to the Prospectus issued by the Issuer. Terms defined in the Prospectus have the same meaning when used in this Supplement.

The Issuer and the Guarantor accept responsibility for the information in this Supplement. To the best of the knowledge of the Issuer and the 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 produced to disclose the following:

1. the update of the Prospectus with respect to the completed registration of Fitch and Moody's as Credit Rating Agencies under the EU Regulation No. 1060/2009 (in the Cover Page and under the sections Parties and Form of Final Terms);
2. recent downgrades by Moody's and Fitch of certain of the Issuer's ratings including the UBI Banca's long-term and short-term debt (under section Risk Factors);

3. the incorporation by reference into the Prospectus of the Issuer's unaudited consolidated and non-consolidated half-yearly financial statements as at and for the six-months ended on 30 June 2011;
4. the update of the Master Definitions Agreement, the Master Servicing Agreement and the "Glossary" section of the Prospectus with respect to the new Covered Bonds Counterparty Criteria released by Fitch (under section Overview of the Transaction Documents and Glossary);
5. the update of the Master Definitions Agreement, the Cover Pool Management Agreement and the "Glossary" section of the Prospectus with respect to the commingling and set-off risks (under sections Risk Factors, Credit Structure and Glossary);
6. the update of all the Transaction Documents and the "Glossary" section of the Prospectus to reflect the Issuer's downgrading of the Issuer by Fitch and Moody's affecting the status being "Eligible Institution" of UBI Banca and UBI International S.A. respectively acting as "Italian Account Bank" and "Luxembourg Account Bank", including, *inter alia*, the replacement of the "Luxembourg Account Bank" with the appointment of a new English Account Bank (under section Parties, Terms and Conditions of the Covered Bonds, Overview of the Transaction Documents and Glossary); and
7. new legislation affecting the current Italian tax treatment of the Covered Bonds (under section Taxation).

Copies of the Prospectus, this Supplement and the information incorporated by reference may be obtained from the registered office of the Issuer and on the Issuer's website (<http://www.ubibanca.it>). The contents of the Issuer's website do not form part of this Supplement.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Prospectus by this Supplement and (b) any other statement in, or incorporated by reference into, the Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus since the publication of the Prospectus. An investor should be aware of its rights arising pursuant to Section 87Q(4) of the FSMA.

COVER PAGE

1. On page 1, the third sentence of the sixth paragraph shall be replaced as follows:

"The credit ratings included or referred to in this Prospectus have been issued by the Rating Agencies, each of which is established in the European Union and has been registered under the CRA Regulation."

"

INFORMATION INCORPORATED BY REFERENCE

The information set out below supplements the section of the Prospectus entitled "Information incorporated by reference" beginning on page 5 of the Prospectus.

The Issuer's Interim Financial Report as at and for the half year ended on 30 June 2011, including its unaudited consolidated and non-consolidated half-yearly financial statements, prepared in accordance with International Financial Reporting Standards, were approved by the Management Board of the Issuer held on 29 August, 2011.

By virtue of this Supplement, a copy of the financial statements referred to above, which has previously been published or filed with the Financial Services Authority, is incorporated by reference in, and forms part of, the Prospectus. To the extent that any document or information incorporated by reference itself incorporates any information by reference, such information will not form part of the Prospectus for the purpose of the Prospectus Directive.

Copies of the information incorporated by reference in the Prospectus may be obtained from the registered office of the Issuer and the Issuer's website (<http://www.ubibanca.it>). The financial statements referred to above are available both in the original Italian and in English. The English language versions represent a direct translation from the Italian language documents.

Cross-reference list

The following table shows where the items of information incorporated by reference in this Supplement can be found in the abovementioned document.

Consolidated Half Year Report as at 30 June 2011

Consolidated financial statements

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Statement of financial position	Pages	160
Income Statement	Pages	161
Statement of Comprehensive Income	Pages	161
Statement of Changes in Shareholders' Equity	Pages	162-163
Statement of Cash Flows	Pages	164
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Non-consolidated financial statements

Statement of financial position	Pages	206
Income Statement	Pages	207
Statement of Comprehensive Income	Pages	208
Statement of Changes in Shareholders' Equity	Pages	209-210
Statement of Cash Flows	Pages	211

Information set forth in the documents above that is not specifically referred to in the reference table above is included for information purposes only. If only certain parts of the documents above are being incorporated by reference, the non-incorporated parts are either not relevant for the investors or covered elsewhere in the Prospectus.

PARTIES

- 1. On page 13, the definition of "Luxembourg Account Bank" shall be replaced as follows:**

"English Account Bank	The Bank of New York Mellon, London Branch will act as English account bank pursuant to the Cash Allocation Management and Payments Agreement and the English Account Bank Agreement, subject to it being an Eligible Institution."
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- 2. On page 17, under the paragraph headed "Governing Law" the second sentence shall be replaced as follows:**

"The Programme documents will be governed by Italian law, except for the Deed of Charge, the English Account Bank Agreement and the Swap Agreements and certain of the security related thereto, which will be governed by English law."

- 3. On page 17, under the paragraph headed "Rating", in the seventh line of the second paragraph, the reference to "applied to be" shall be replaced with the word "been" and the sentence "although notification of the corresponding registration decision has not yet been provided by the relevant competent authority" shall be deleted.**

RISK FACTORS

- 1. On page 24, in the sub-section headed "Changes of Law", the first and second sentences shall be replaced as follows:**

"The structure of the issue of the Covered Bonds and the ratings which are to be assigned to them are based on Italian law (and, in the case of the Deed of Charge, the English Account Bank Agreement and the Swap Agreements, English law in effect as at the date of this Prospectus). No assurance can be given as to the impact of any possible change to Italian or English law or administrative practice or to the law applicable to any Transaction Document and to administrative practices in the relevant jurisdiction."

- 2. On page 29, under the sub-section headed "*A downgrade of any of the Issuer's credit ratings may impact the Issuer's funding ability and have an adverse effect on the Issuer's financial condition*", the reference to "A" shall be replaced with the reference to "A-", the reference to "A-1" shall be replaced with the reference to "A3", the reference to "F1" shall be replaced with the reference to "F2" and the reference to "P-1" shall be replaced with the reference to "P-2".**

- 3. On page 34, under the sub-section "Set-off risks" the following last sentence of the paragraph shall be deleted:**

"As long as the Issuer Downgrading Event is continuing, the Asset Percentage shall be reduced by an amount equal to such Potential Set-Off Amount."

TERMS AND CONDITIONS OF THE COVERED BONDS

1. On page 40, under the sub-section headed "*Definitions and Interpretation*", in the definition of "Cash Allocation Management and Payments Agreement", the reference to the "Luxembourg Account Bank" shall be replaced with the reference to the "English Account Bank".
2. On page 42, under the sub-section headed "*Definitions and Interpretation*", in the definition of "Deeds of Pledge", the reference to "and the Luxembourg Deed of Pledge" shall be deleted.
3. On page 45, under the sub-section headed "*Definitions and Interpretation*" the definition of "Luxembourg Account Bank" shall be replaced as follows:

""English Account Bank" means The Bank of New York Mellon, London Branch, acting in its capacity as English account bank pursuant to the Cash Allocation, Management and Payments Agreement and the English Account Bank Agreement or any such other depository institution as may be appointed in accordance with such Agreement."
4. On page 45, under the sub-section headed "*Definitions and Interpretation*" the definitions of "Luxembourg Account Bank Deed of Guarantee" and "Luxembourg Deed of Pledge" shall be deleted.
5. On page 46, under the sub-section headed "*Definitions and Interpretation*", in the definition of "Other Creditors" the reference to the "Luxembourg Account Bank" shall be replaced with the reference to the "English Account Bank".
6. On page 49, under the sub-section headed "*Definitions and Interpretation*", in the definition of "Transaction Documents" the reference to the "Luxembourg Account Bank Deed of Guarantee" shall be deleted and the reference to the "English Account Bank Agreement" shall be included.

7. On page 63, the sub-section headed "Governing Law and Jurisdiction – Governing law" shall be replaced as follows:

"These Covered Bonds are governed by Italian law. All other Transaction Documents are governed by Italian law, save for the Deed of Charge, the English Account Bank Agreement and the Swap Agreements, which are governed by English law."

FORM OF FINAL TERMS

- 1. On page 95, under the sub-section headed "Ratings", in the third paragraph, the words "applied for registration" shall be replaced with the words "been registered" and the sentence "although notification of the corresponding registration decision has not yet been provided by the relevant competent authority" shall be deemed as deleted.**

OVERVIEW OF THE TRANSACTION DOCUMENTS

- 1. On page 167, under the sub-section headed "Master Loans Purchase Agreement" in the third and sixth paragraph any reference to the "Luxembourg Principal Collection Account" shall be deemed as replaced by reference to the "English Principal Collection Account".**
- 2. On page 169, under the sub-section headed "Master Servicing Agreement" in the first paragraph any reference to the word "Luxembourg Interest Collection Account" shall be deemed as replaced by reference to the word "English Interest Collection Account".**
- 3. On page 169, under the sub-section headed "Master Servicing Agreement" the following new paragraph shall be added after the sixth one:**

"In the event the long-term unsecured and unsubordinated debt obligations of the Master Servicer falls below "Baa2" by Moody's or "BBB" by Fitch, the Master Servicer shall (i) immediately communicate such event to the Service Provider, the Sub-Servicer and the Guarantor, (ii) prepare letters to communicate to the Debtors changes to their payment instructions so that, upon downgrade of the short-term unsecured and unsubordinated debt obligations of the Master Servicer below "P-2" by Moody's or "F2" by Fitch, any payments in respect of the Receivables will be made by the Debtors to a new account replacing the Italian Collection Account opened by the Guarantor with an Eligible Institution, and (iii) identify one or more counterparties meeting the requirements provided for the appointment of the Back-up Master Servicer. In the event the short-term unsecured and unsubordinated debt obligations of the Master Servicer falls below "P-2" by Moody's or "F2" by Fitch, the Master Servicer shall immediately give notice of such event to the Representative of the Bondholders, the Rating Agencies, the Calculation Agent, the Sub-Servicer and the Guarantor; and shall alternatively: (i) notify in writing to the Debtors the details of the new account opened in name and on behalf of the Guarantor with an Eligible Institution where any payments in respect of the Receivables shall be made and ensure that, starting from the date in which such downgrading has occurred, the daily balance of the Italian Collection Accounts is equal to zero as set out in the relevant account statements (*estratti conto*); or (ii) procure and maintain a first demand guarantee issued by an Eligible Institution, so to guarantee the obligations of the Master Servicer and/or the Sub-Servicer to transfer the Collections pursuant to the Master Servicing Agreement."

4. **On page 171, under the sub-section "Cash Allocation, Management and Payments Agreement" in the first paragraph the reference to the "Luxembourg Account Bank" shall be replaced with the reference to the "English Account Bank".**

5. **On page 171, under the sub-section "Cash Allocation, Management and Payments Agreement", in the second paragraph, the item (ii) shall be replaced as follows:**
 - "(ii) in lieu of the Luxembourg Account Bank, the Guarantor has appointed the English Account Bank with which it has opened the English Accounts pursuant to the English Account Bank Agreement and the Cash Allocation, Management and Payments Agreement;"

6. **On page 172, following the sub-section "Cash Allocation, Management and Payments Agreement" the following new sub-section shall be added:**

"THE ENGLISH ACCOUNT BANK AGREEMENT

On 8 November 2011, the Issuer, the Master Servicer, the English Account Bank, the Italian Account Bank, the Sellers, the Sub-Servicers, the Principal Paying Agent, the Calculation Agent, the Guarantor Corporate Servicer, the Representative of the Covered Bondholders and the Guarantor entered into the English Account Bank Agreement.

Pursuant to the terms of the English Account Bank Agreement, the English Account Bank has agreed to establish and maintain, in the name and on behalf of the Guarantor, the English Accounts and the Swap Collateral Cash Accounts (as defined in the Glossary of the Prospectus), and to provide the Guarantor with certain reporting and payment services together with account handling services in relation to monies from time to time standing to the credit of the English Accounts.

The English Accounts and the Swap Collateral Cash Accounts held with the English Account Bank shall be opened in the name of the Guarantor and shall be operated by the English Account Bank in accordance with the instructions given by, or on behalf of, the Guarantor and in accordance with the provisions of the English Account Bank Agreement, the Cash Allocation Management and Payments Agreement and the Intercreditor Agreement.

The English Account Bank Agreement and any non – contractual obligations arising out of or in connection with it are governed by and shall be construed in accordance with English law."

- 7. On page 173, under the sub-section headed "Cover Pool Management Agreement" in the third paragraph any reference to the word "Luxembourg Principal Collection Accounts" shall be deemed as replaced by the reference to the word "English Principal Collection Accounts".**

- 8. On page 174, under the sub-section headed "Cover Pool Management Agreement", the seventh paragraph, point 2, the reference to the "Luxembourg Principal Collection Account" shall be deemed as replaced by the reference to the word "English Principal Collection Account".**

- 9. On page 179, the sub-section headed "Luxembourg Deed of Pledge" shall be deleted.**

- 10. On page 179, the sub-section headed "Deed of Charge" shall be replaced as follows:**

"On 8 November 2011 the Guarantor and the Representative of the Covered Bondholders (as trustee for the Covered Bondholders and the Other Creditors) has entered into the Deed of Charge. Pursuant to the Deed of Charge, without prejudice and in addition to any security, guarantees and other rights provided for in the Securitisation and Covered Bond Law securing the discharge of the Guarantor's obligations to the Covered Bondholders and the Other Creditors, the Guarantor will assign all right, title, benefit and interest in and to the Swap Collateral Cash Accounts (without prejudice to the netting provisions set out in the Swap Agreement), the English Accounts, the English Account Bank Agreement and the Custody Agreement in each case in favour of the Representative of the Covered Bondholders (as trustee for the Covered Bondholders and for the Other Creditors). The security created by the Deed of Charge will become enforceable upon the service of a Guarantor Default Notice."

CREDIT STRUCTURE

1. On page 181, under the sub-section headed "Nominal Value", in the first paragraph, the relevant formula shall be replaced as follows:

$$"A + B + C - Y - W - Z";$$

2. On page 181, under the sub-section headed "Nominal Value", in the letter "B", the reference to "Luxembourg Principal Collection Accounts" shall be deemed as replaced by the reference to "English Principal Collection Accounts".

3. On page 182, under the sub-section headed "Nominal Value", before the letter "Z", the following letters "Y" and "W" shall be added as follows:

"Y" is equal to (i) nil, if the Issuer's long term and short term ratings are at least "A2" and "P-1" by Moody's and the Issuer's long term and short term rating are at least "A" and "F1" by Fitch (provided that, if the Issuer is on rating watch negative, it shall be treated as one notch below its then current Fitch rating), or (ii) otherwise, the Potential Set-Off Amount;

"W" is equal to (i) nil, if (a) the Issuer's long term and short term ratings are at least "A2" and "P-1" by Moody's and the Issuer's long term and short term ratings are at least "A" and "F1" by Fitch (provided that, if the Issuer is on rating watch negative, it shall be treated as one notch below its then current Fitch rating), or (b) any of the remedies under Clause 12 of the Master Servicing Agreement have been implemented; or (ii) otherwise, the Commingling Amount; and"

1. On page 182, under the sub-section headed "*Interest Coverage Test*" in the point letter "A" reference to "Luxembourg Interest Collection Accounts" shall be deemed as replaced by reference to "English Interest Collection Accounts".
2. On page 183, under the sub-section headed "*Amortisation Test*" in the point letter "B" reference to "Luxembourg Principal Collection Accounts" shall be deemed as replaced by reference to "English Principal Collection Accounts".

- 3. On page 184, under the sub-section "Set-off Risk and Commingling Risk" the following last sentence of the paragraph shall be deleted:**

"As long as the Issuer Downgrading Event is continuing, the Asset Percentage shall be reduced by an amount equal to the Potential Set-off Amount and the Commingling Amount."

CASHFLOWS

1. On page 185, under the sub-section "Definitions - Interest Available Funds" in the point letters (a) and (b) the reference to the "Luxembourg Interest Collection Accounts" shall be deemed as replaced by the reference to "English Interest Collection Accounts".
2. On page 185, under the sub-section "Definitions - Principal Available Funds" the point letters (a) and (b) reference to "Luxembourg Principal Collection Accounts" shall be deemed as replaced by the reference to "English Principal Collection Accounts".
3. On page 186, under the sub-section "Pre-Issuer Event of Default Interest Priority of Payments", in the point (c), the reference to "Luxembourg Account Bank" shall be replaced with the reference to "English Account Bank".
4. On page 186, under the sub-section "Pre-Issuer Event of Default Principal Priority of Payments", in the point letter (d), the reference to "Luxembourg Principal Collection Account(s)" shall be deemed as replaced by the reference to "English Principal Collection Account(s)".
5. On page 187, under the sub-section "Guarantee Priority of Payments", in the point letter (c), the reference to "Luxembourg Account Bank" shall be replaced with the reference to "English Account Bank".
6. On page 187, under the sub-section "Application of Moneys following Occurrence of a Guarantor Event of Default", in the point letter (c), the reference to "Luxembourg Account Bank" shall be replaced with the reference to "English Account Bank".

TAXATION

1. On page 201, under the sub-section "*Italian Resident Covered Bondholders*", in the first sentence of the second paragraph, after the words "12.5 per cent", the following sentence shall be added:

"(20 per cent. on Interest accrued from 1st January 2012)."

2. On page 202, under the sub-section "*Non-Italian Resident Covered Bondholders*", in the third paragraph, after the words "12.5 per cent" the following sentence shall be added:

"(20 per cent. on Interest accrued from 1st January 2012)".

3. On page 203, under the sub-section "*Early Redemption*", in the second line, after the words "Issue Date" the following words shall be added:

"and prior to 31 December 2011"

4. On page 203, at the end of the sub-section "*Early Redemption*" the following sentence shall be added:

"The 20 per cent. tax will be repealed from 1st January 2012."

5. On page 203, under the sub-section "*Capital gains tax*", the second paragraph shall be replaced as follows:

"Where an Italian resident Covered Bondholder is an individual not engaged in an entrepreneurial activity to which the Covered Bonds are connected, any capital gain realised by such Covered Bondholder from the sale or redemption of the Covered Bonds would be subject to an *imposta sostitutiva*, levied at the rate of 12.5 per cent. (20 per cent. on capital gains realised from 1st January 2012) Covered Bondholders may set off any losses with their gains. Capital losses realised before 1 January 2012 may be carried forward to be offset against subsequent capital gains realised from 1 January 2012 for an overall amount of 62.5 per cent. of the relevant capital losses."

6. On page 204, under the sub-section "*Capital gains tax*", in the fourth paragraph, the first line of letter (c) shall be replaced as follows:

"at year end, subject to a 12.5 per cent. substitute tax (20 per cent. on increase in value of the managed assets accrued from 1st January 2012), to be paid by the managing authorised intermediary."

- 7. On page 204, under the sub-section "*Capital gains tax*", in the fourth line of the last paragraph, at the end of the first sentence, after the words "12.5 per cent.", the following words shall be added:**

"(20 per cent. on capital gains realised from 1st January 2012)."

GLOSSARY

1. On page 212, in the definitions of "*Accounts*", the reference to "Luxembourg Accounts" shall be replaced with the reference to "English Accounts".
2. On page 212, in the definition of "*Agents*", the reference to "Luxembourg Account Bank" shall be replaced with the reference to "English Account Bank".
3. On page 214, in the definition of "*Cash Allocation, Management and Payments Agreement*" the reference to "Luxembourg Account Bank" shall be replaced with the reference to "English Account Bank".

4. On page 214, the definition of "*Commingling Amount*" shall be replaced as follows:

""**Commingling Amount**" means an amount calculated by the Issuer on a monthly basis equal to the maximum of the total amount of Collections and Recoveries expected to be credited to the Italian Collection Account on any of the following 12 (twelve) calendar months and considering a 15 per cent. cumulative prepayment ratio."

5. On page 215, the definition of "*Deed of Charge*" shall be replaced as follows :

""**Deed of Charge**" means the English law deed of charge entered into between the Guarantor and the Representative of the Covered Bondholders (acting on behalf of the Covered Bondholders and the Other Creditors) on 8 November 2011 in order to charge the rights arising under the English Accounts, the Swap Collateral Cash Accounts, the English Account Bank Agreement and the Custody Agreement in favour of the Covered Bondholders and the Other Creditors."

6. On page 216, in the definition of "*Deeds of Pledge*", the reference to "and the Luxembourg Deed of Pledge" shall be deleted.

7. On page 216, the definition of "*Eligible Institution*" shall be replaced as follows:

""**Eligible Institution**" means (A) any depository institution organised under the laws of any country which is a member of the European Union or of the United States, (i) the short term unsecured, unsubordinated and unguaranteed debt obligations of which are

rated at least "F1" by Fitch (provided that, if any of the above depository institutions is on rating watch negative, it shall be treated as one notch below its then current Fitch rating) and "P 1" by Moody's or (ii) which is guaranteed (in compliance with the relevant criteria respectively of Fitch and Moody's on the guarantee) by an entity whose short term unsecured, unsubordinated and unguaranteed debt obligations are rated at least "F1" by Fitch (provided that, if any of the above depository institutions is on rating watch negative, it shall be treated as one notch below its then current Fitch rating) and "P 1" by Moody's and the long term unsecured, unsubordinated and unguaranteed debt obligations of which are rated at least "A" by Fitch (provided that, if any of the above depository institutions is on rating watch negative, it shall be treated as one notch below its then current Fitch rating) and "Aa3" by Moody's" or (iii) any other rating level from time to time provided for in the Rating Agencies' criteria; (B) with exclusively reference to Clauses 5.3.1 (*Italian Account Bank no longer an Eligible Institution*) and 11.2.9 (*Eligible Institution*) of the Cash Allocation, Management and Payments Agreement and with reference to the sole Italian Account Bank until Unione di Banche Italiane S.c.p.a. acts in such role, any depository institution organized under the laws of any country which is a member of the European Union or of the United States, (i) the short term unsecured, unsubordinated and unguaranteed debt obligations of which are rated at least "F2" by Fitch (provided that, if any of the above depository institutions is on rating watch negative, it shall be treated as one notch below its then current Fitch rating) and "P 2" by Moody's or (ii) which is guaranteed (in compliance with the relevant criteria respectively of Fitch and Moody's on the guarantee) by an entity whose short term unsecured, unsubordinated and unguaranteed debt obligations are rated at least "F2" by Fitch (provided that, if any of the above depository institutions is on rating watch negative, it shall be treated as one notch below its then current Fitch rating) and "P 2" by Moody's and the long term unsecured, unsubordinated and unguaranteed debt obligations of which are rated at least "A-" by Fitch (provided that, if any of the above depository institutions is on rating watch negative, it shall be treated as one notch below its then current Fitch rating) and "A3" by Moody's" or any other rating level from time to time provided for in the Rating Agencies' criteria".

8. On page 216, the definition of "Eligible Investment" shall be replaced as follows:

""**Eligible Investment**" means (i) any Euro denominated security rated at least "P-1" by Moody's and "F1" by Fitch (provided that, if any of the above securities is on rating watch negative, it shall be treated as one notch below its then current Fitch rating), where they have a maturity of up to 30 calendar days or, if greater than 30 calendar days, which may be liquidated without loss within 30 days of a downgrade below "P-1" by Moody's and "F1" by Fitch (provided that, if any of the above financial institutions is on rating watch negative, it shall be treated as one notch below its then current Fitch rating), and/or (ii) reserve accounts, deposit accounts, and other similar accounts that provide direct liquidity

and/or credit enhancement held at a financial institution rated at least "P-1" by Moody's and "F1" by Fitch (provided that, if any of the above financial institutions is on rating watch negative, it shall be treated as one notch below its then current Fitch rating), provided that any such investments mature on or before the next following Guarantor Payment Date or are disposable at no loss."

9. On page 216, after the definition of "Eligible Investment", the following definitions shall be added:

"English Accounts" means the English Collection Accounts and the Reserve Fund Account.

"English BdB Interest Collection Account" means the Euro denominated account established in the name of the Guarantor with the English Account Bank for the deposit of the interest Collections received by the Guarantor on the Italian BdB Collection Account, with number 2411909780 (IBAN: GB22IRVT70022524119080), or such other substitute account as may be opened in accordance with the English Account Bank Agreement.

"English BdB Principal Collection Account" means the Euro denominated account established in the name of the Guarantor with the English Account Bank for the deposit of the principal Collections received by the Guarantor on the Italian BdB Collection Account, with number 2411989780 (IBAN: GB53IRVT70022524119880), or such other substitute account as may be opened in accordance with the English Account Bank Agreement.

"English BPA Interest Collection Account" means the Euro denominated account established in the name of the Guarantor with the English Account Bank for the deposit of the interest Collections received by the Guarantor on the Italian BPA Collection Account, with number 2411919780 (IBAN: GB38IRVT70022524119180), or such other substitute account as may be opened in accordance with the Agreement.

"English BPA Principal Collection Account" means the Euro denominated account established in the name of the Guarantor with the English Account Bank for the deposit of the principal Collections received by the Guarantor on the Italian BPA Collection Account, with number 2412009780 (IBAN: GB85IRVT70022524120080), or such other substitute account as may be opened in accordance with the English Account Bank Agreement.

"English BPB Interest Collection Account" means the Euro denominated account established in the name of the Guarantor with the English Account Bank for the deposit of the interest Collections received by the Guarantor on the Italian BPB Collection Account, with number 2411939780 (IBAN: GB70IRVT70022524119380), or such other substitute account as may be opened in accordance with the English Account Bank Agreement.

"English BPB Principal Collection Account" means the Euro denominated account established in the name of the Guarantor with the English Account Bank for the deposit of the principal Collections received by the Guarantor on the Italian BPB Collection Account, with number 2412029780 (IBAN: GB20IRVT70022524120280), or such other substitute account as may be opened in accordance with the English Account Bank Agreement.

"English BPCI Interest Collection Account" means the Euro denominated account established in the name of the Guarantor with the English Account Bank for the deposit of the interest Collections received by the Guarantor on the Italian BPCI Collection Account, with number 2411949780 (IBAN: GB86IRVT70022524119480), or such other substitute account as may be opened in accordance with the English Account Bank Agreement.

"English BPCI Principal Collection Account" means the Euro denominated account established in the name of the Guarantor with the English Account Bank for the deposit of the principal Collections received by the Guarantor on the Italian BPCI Collection Account, with number 2412039780 (IBAN: GB36IRVT70022524120380), or such other substitute account as may be opened in accordance with the English Account Bank Agreement.

"English BSG Interest Collection Account" means the Euro denominated account established in the name of the Guarantor with the English Account Bank for the deposit of the interest Collections received by the Guarantor on the Italian BSG Collection Account, with number 2411929780 (IBAN: GB54IRVT70022524119280), or such other substitute account as may be opened in accordance with the English Account Bank Agreement.

"English BSG Principal Collection Account" means the Euro denominated account established in the name of the Guarantor with the English Account Bank for the deposit of the principal Collections received by the Guarantor on the Italian BSG Collection Account, with number 2412019780 (IBAN: GB04IRVT70022524120180), or such other substitute account as may be opened in accordance with the English Account Bank Agreement.

"English BVC Interest Collection Account" means the Euro denominated account established in the name of the Guarantor with the English Account Bank for the deposit of the interest Collections received by the Guarantor on the Italian BVC Collection Account, with number 2411959780 (IBAN: GB05IRVT70022524119580), or such other substitute account as may be opened in accordance with the English Account Bank Agreement.

"English BVC Principal Collection Account" means the Euro denominated account established in the name of the Guarantor with the English Account Bank for the deposit of the principal Collections received by the Guarantor on the Italian BVC Collection Account, with number 2412049780 (IBAN: GB52IRVT70022524120480), or such other substitute account as may be opened in accordance with the English Account Bank Agreement.

"English BRE Interest Collection Account" means the Euro denominated account established in the name of the Guarantor with the English Account Bank for the deposit of the interest Collections received by Guarantor on the Italian BRE Collection Account, with number 2412079780 (IBAN: GB03IRVT70022524120780), or such other substitute account as may be opened in accordance with the English Account Bank Agreement.

"English BRE Principal Collection Account" means the Euro denominated account established in the name of the Guarantor with the English Account Bank for the deposit of the principal Collections received by Guarantor on the Italian BRE Collection Account, with number 2411999780 (IBAN: GB69IRVT70022524119980), or such other substitute account as may be opened in accordance with the English Account Bank Agreement.

"English Carime Interest Collection Account" means the Euro denominated account established in the name of the Guarantor with the English Account Bank for the deposit of the interest Collections received by the Guarantor on the Italian Carime Collection Account, with number 2411969780 (IBAN: GB21IRVT70022524119680), or such other substitute account as may be opened in accordance with the English Account Bank Agreement.

"English Carime Principal Collection Account" means the Euro denominated account established in the name of the Guarantor with the English Account Bank for the deposit of the principal Collections received by the Guarantor on the Italian Carime Collection Account, with number 2412059780 (IBAN: GB68IRVT70022524120580), or such other substitute account as may be opened in accordance with the English Account Bank Agreement.

"English UBIPI Interest Collection Account" means the Euro denominated account established in the name of the Guarantor with the English Account Bank for the deposit of the interest Collections received by the Guarantor on the Italian UBIPI Collection Account, with number 2411979780 (IBAN: GB37IRVT70022524119780), or such other substitute account as may be opened in accordance with the English Account Bank Agreement.

"English UBIPI Principal Collection Account" means the Euro denominated account established in the name of the Guarantor with the English Account Bank for the deposit of the principal Collections received by the Guarantor on the Italian UBIPI Collection Account, with number 2412069780 (IBAN: GB84IRVT70022524120680), or such other substitute account as may be opened in accordance with the English Account Bank Agreement.

"English Collection Accounts" means, collectively, the English Principal Collection Accounts and the English Interest Collection Accounts.

"English Interest Collection Accounts" means collectively, the English BdB Interest Collection Account, the English BRE Interest Collection Account, the English BPA Interest Collection Account, the English BSG Interest Collection Account, the English BPB Interest Collection Account, the English BPCI Interest Collection Account, the English BVC Interest Collection Account, the English UBIPI Interest Collection Account, and any other English interest collection accounts which shall be opened by the Guarantor

upon any entity part of the UBI Group becoming part of the Programme as Seller, Sub-Servicer, Service Provider and Subordinated Lender.

"English Principal Collection Accounts" means, collectively, the English BdB Principal Collection Account, the English BRE Principal Collection Account, the English BPA Principal Collection Account, the English BSG Principal Collection Account, the English BPB Principal Collection Account, the English BPCI Principal Collection Account, the English BVC Principal Collection Account, the English UBIPI Principal Collection Account and any other English principal collection accounts which shall be opened by the Guarantor upon any entity part of the UBI Group becoming part of the Programme as Seller, Sub-Servicer, Service Provider and Subordinated Lender."

10. On page 217, the definition of "European Economic Area" shall be replaced as follows:

"European Economic Area" means the region comprised of member states of the European Union as well as Iceland, Liechtenstein and Norway."

11. On page 221, the definition of "Luxembourg Account Bank" shall be deleted and replaced as follows:

"English Account Bank" means The Bank of New York Mellon, London branch, acting in its capacity as English account bank pursuant to the Cash Allocation Management and Payments Agreement and the English Account Bank Agreement or any such other depository institution as may be appointed in accordance with such Agreement".

12. On pages 221, 222 and 223 the following definitions shall be deleted:

"Luxembourg Accounts";

"Luxembourg Account Bank";

"Luxembourg Account Bank Deed of Guarantee";

"Luxembourg BdB Interest Collection Account";

"Luxembourg BdB Principal Collection Account";

"Luxembourg BPA Interest Collection Account";

"Luxembourg BPA Principal Collection Account";

"Luxembourg BPB Interest Collection Account";

"Luxembourg BPB Principal Collection Account";
"Luxembourg BPCI Interest Collection Account";
"Luxembourg BPCI Principal Collection Account";
"Luxembourg BSG Interest Collection Account";
"Luxembourg BSG Principal Collection Account";
"Luxembourg BVC Interest Collection Account";
"Luxembourg BVC Principal Collection Account";
"Luxembourg BRE Interest Collection Account";
"Luxembourg BRE Principal Collection Account";
"Luxembourg Carime Interest Collection Account";
"Luxembourg Carime Principal Collection Account";
"Luxembourg UBIPI Interest Collection Account";
"Luxembourg UBIPI Principal Collection Account";
"Luxembourg Collection Accounts";
"Luxembourg Interest Collection Accounts"; and
"Luxembourg Principal Collection Accounts".

13. On page 224, after the definition of "Negative Carry Factor", the following definitions shall be added:

"Net Deposit Amount of Future Transfers" means, for each Debtor, an amount equal to the lower of:

(A) while the Covered Bonds are rated "AAA" by Fitch and "Aaa" by Moody's, an amount equal to the lower of;

(i) the Outstanding Principal Balance of the assets transferred to the Guarantor since 31 October 2011 and included in the Cover Pool in relation to which such Debtor is a debtor, and

(ii) the higher of;

(a) the lower of the (a) the aggregate amount of cash or saving accounts deposited by such Debtor with the relevant Seller, as of

the date on which all the formalities relating to the assignment of the assets relating to such Debtor, as provided for under the Master Loan Purchase Agreement, have been complied with, and (b) the monthly aggregate amount of cash or saving accounts deposited by such Debtor with the relevant Seller, calculated at the end of the previous calendar month, and

- (b) an amount calculated by the Calculation Agent which will be made public and notified to the Rating Agencies. With respect to Moody's, such amount will be calculated in accordance with the methodologies and/or the calculations set out with Moody's.

(B) if the Covered Bonds cease to be rated "AAA" by Fitch and "Aaa" by Moody's, an amount calculated by the Calculation Agent which will be made public and notified to the Rating Agencies. With respect to Moody's, such amount will be calculated in accordance with the methodologies and/or the calculations set out with Moody's.

"Net Deposit Amount of Previous Transfers" means for each Debtor

(A) while the Covered Bonds are rated "AAA" by Fitch and "Aaa" by Moody's, an amount equal to the lower of:

- (i) the Outstanding Principal Balance of the assets transferred to the Guarantor until 30 October 2011 and included in the Cover Pool in relation to which such Debtor is a debtor, and

(ii) the higher of;

- (a) the lower of (a) the aggregate amount of cash or saving accounts deposited by such Debtor with the relevant Seller, as of 31 October 2011, and (b) the monthly aggregate amount of cash or saving accounts deposited by such Debtor with the relevant Seller, calculated at the end of the previous calendar month; and
- (b) an amount calculated by the Calculation Agent which will be made public and notified to the Rating Agencies. With respect to Moody's, such amount will be calculated in accordance with the methodologies and/or the calculations set out with Moody's.

(B) if the Covered Bonds cease to be rated "AAA" by Fitch and "Aaa" by Moody's, an amount calculated by the Calculation Agent which will be made public and notified to the Rating Agencies. With respect to Moody's, such amount will be calculated in accordance with the methodologies and/or the calculations set out with Moody's."

14. On page 224, in the definition of "Other Creditors", the reference to "Luxembourg Account Bank" shall be replaced with the reference to "English Account Bank" and, after the words "Asset Monitor", the word "and" shall be deleted.

15. On page 224, the definition of "Potential Set-off Amount" shall be replaced as follows:

"Potential Set-Off Amount" means the sum of the Potential Set-Off Amount of Previous Transfers and the Potential Set-Off Amount of Future Transfers."

16. On page 224, after the definition of " Potential Set-Off Amount", the following definitions shall be added:

"Potential Set-Off Amount of Future Transfers" means an amount equal to the aggregate Outstanding Principal Balance of the assets transferred to the Guarantor since 31 October 2011 and included in the Cover Pool that could potentially be set-off by the relevant Debtors against any credit owed by any such Debtor towards the relevant Seller. Such amount, which in any case will never be lower than the Net Deposits of Future Transfers, will be calculated by the Calculation Agent (based on the aggregate information provided by the Master Servicer) on a quarterly basis on each Calculation Date and/or on each other date on which the Nominal Value Test is to be carried out pursuant to the provisions of the Cover Pool Management Agreement.

"Potential Set-Off Amount of Previous Transfers" means an amount equal to the aggregate Outstanding Principal Balance of the assets transferred to the Guarantor until 30 October 2011 and included in the Cover Pool that could potentially be set-off by the relevant Debtors against any credit owed by any such Debtor towards the relevant Seller. Such amount, which in any case will never be lower than the Net Deposits of Previous Transfers, will be calculated by the Calculation Agent (based on the aggregate information provided by the Master Servicer) on a quarterly basis on each Calculation Date and/or on each other date on which the Nominal Value Test is to be carried out pursuant to the provisions of the Cover Pool Management Agreement."

17. On page 226, the definition of "Reserve Fund Account" shall be replaced as follows:

"Reserve Fund Account" means the Euro denominated account established in the name of the Guarantor with the English Account Bank with number 2372349780 (IBAN: GB84IRVT70022524120680), or such other substitute account as may be opened in accordance with the English Account Bank Agreement."

18. On page 226, the definition of "Reserve Fund Amount" shall be replaced as follows:

""**Reserve Fund Amount**" means, on each Guarantor Payment Date, an aggregate amount, as calculated by the Calculation Agent on or prior to each Calculation Date in relation to all the outstanding Series of Covered Bonds, equal to:

- (A) if a Liability Swap Agreement has been entered into in relation to the relevant Series of Covered Bonds and the Issuer is the Liability Swap Provider, (i) "four third of the interests accruing in respect of all the outstanding Series of Covered Bonds during the immediately following Calculation Period until the entire maturing coupon of each Series of Covered Bonds is fully reserved for, plus (ii) prior to the service of an Issuer Default Notice, the aggregate amount to be paid by the Guarantor on the immediately following Guarantor Payment Date in respect of the items (*first*) to (*third*) of the Pre-Issuer Event of Default Interest Priority of Payments or the Guarantee Priority of Payments as the case may be; and/or
- (B) if a Liability Swap Agreement has been entered into in relation to the relevant Series of Covered Bonds and the Issuer is not the Liability Swap Provider, (i) an amount equal to any interest amounts due in the immediately following three months to the Liability Swap Providers in respect of each relevant Liability Swap Agreement, calculated applying the specified Euribor rate increased by the applicable spread for each relevant Liability Swap Agreement determined on a forward basis, plus (ii) prior to the service of an Issuer Default Notice, the aggregate amount to be paid by the Guarantor on the immediately following Guarantor Payment Date in respect of the items (*first*) to (*third*) of the Pre-Issuer Event of Default Interest Priority of Payments or the Guarantee Priority of Payments as the case may be, plus (iii) Euro 400,000.00; and/or
- (C) if no Liability Swap Agreement has been entered into in relation to a Series of Covered Bonds, (i) any interest amounts due in relation to that Series of Covered Bonds in the immediately following three months, plus (ii) prior to the service of an Issuer Default Notice, the aggregate amount to be paid by the Guarantor on the immediately following three months in respect of the items (*first*) to (*third*) of the Pre-Issuer Event of Default Interest Priority of Payments or the Guarantee Priority of Payments as the case may be."

19. On page 227, after the definition of "Swap Calculation Date", the following definitions shall be added as follows:

""**Swap Collateral**" means the collateral which may be transferred by the relevant Swap Provider to the Guarantor in support of its obligations under the Swap Agreements.

"Swap Collateral Cash Account" means any collateral account with respect to each Swap Provider, opened, in name and on behalf of the Guarantor, with the English Account Bank on which the Swap Collateral in the form of cash is and/or will be posted in accordance with the relevant Swap Agreement and the English Account Bank Agreement.

"Swap Collateral Securities Account" means any collateral account (if any) related to each Swap Provider which may be opened, in name and on behalf of the Guarantor, with the English Account Bank on which the Swap Collateral in the form of securities may be posted in accordance with the relevant Swap Agreement."

20. On page 228, under the definition of "Transaction Documents" the reference to "Luxembourg Account Bank Deed of Guarantee" shall be deleted and the reference to "English Account Bank Agreement" shall be included.