

Notice to the Bondholders

Dated 12 March 2014



Banca Monte dei Paschi di Siena S.p.A.

(incorporated as a società per azioni in the Republic of Italy)

€20,000,000,000 Covered Bond Programme

unconditionally and irrevocably guaranteed as to payments of interest and principal by

MPS Covered Bond 2 S.r.l.

(incorporated as a società a responsabilità limitata in the Republic of Italy)

The Issuer would like to announce the following amendments in connection with the €20,000,000,000 covered bond programme (the "**Programme**") established by Banca Monte dei Paschi di Siena S.p.A. ("**BMPS**" or the "**Issuer**") and guaranteed as to payments of interest and principal by MPS Covered Bond 2 S.r.l. (the "**Guarantor**").

Terms defined in the base prospectus dated 28 August 2013 (the "**Prospectus**") have the same meaning when used in this notice.

The amendments have been made in order to align certain provisions of the Programme Documents with (i) the Guideline of the European Central Bank (the "**ECB**") of 20 September 2011 (ECB/2011/14), published on the Official Gazette of the European Union no. 331 of 14 December 2011, as amended by the Guideline of the ECB on 26 November 2012 (ECB/2012/25) published on the Official Gazette of the European Union no. 348 on 18 December 2012, both relating to monetary policy instruments and procedures of the Eurosystem, and (ii) the decision of the ECB dated 26 September 2013 on additional measures relating to Eurosystem refinancing operations and eligibility of collateral (ECB/2013/35) (jointly, the "**ECB Guidelines**"), with the purpose of permitting the Bondholders to have accessibility to the refinancing operations carried out through the Euro-system, in line with the monetary policy decisions taken by the ECB's Governing Council and the ECB Guidelines.

The amendments (i) have been approved by the Written Resolution of the Bondholders held on 27 February 2014, pursuant to the Rules of the Organisation of the Bondholders and in accordance with the Terms and Conditions of the Covered Bonds and (ii) have been consented by the Representative of the Bondholders, as instructed by the Written Resolution of the Bondholders, pursuant to a consent letter dated 27 February 2014.

The amendments relate to the following Programme Documents:

- (i) the master definitions agreement dated 23 May 2012 (as amended from time to time, the "**Master Definitions Agreement**") among, *inter alios*, the Issuer, the Guarantor and the Other Guarantor Creditors;
- (ii) the master assets purchase agreement dated 30 April 2012, between BMPS in its capacity as Principal Seller, and the Guarantor (as amended from time to time, the "**Master Assets Purchase Agreement**");
- (iii) the warranty and indemnity agreement dated 30 April 2012, between BMPS, in its capacity as Principal Seller, and the Guarantor (as amended from time to time, the "**Warranty and Indemnity Agreement**").

1. AMENDMENTS TO THE MASTER DEFINITIONS AGREEMENT

Pursuant to an amendment agreement (the "**Amendment Agreement to the Master Definitions Agreement**") dated 27 February 2014 between the Issuer, the Guarantor and, *inter alios*, the Other Guarantor Creditors:

- a new definition of "*ECB Guidelines*" has been incorporated; and
- the definition of "*Asset Backed Securities*" (*Titoli ABS*) contained in the Master Definitions Agreement has been supplemented, in order to outline that the ABS Securities which may be included in the Cover Pool must comply with the ECB Guidelines and, therefore (1) such asset backed securities comply with the requirements set out in Directive 2006/48/EC and Directive 2006/49/EC (as from time to time amended and/or supplemented, the "**Capital Requirements Directives**") in respect of asset backed securities in covered bonds; (2) were originated by a member of the same consolidated group of which the Issuer is also a member or by an entity affiliated to the same central body to which the Issuer is also affiliated; and (3) are used as a technical tool to transfer mortgage loans or guaranteed real-estate loans from the originating entity to the Cover Pool.

2. AMENDMENTS TO THE MASTER ASSETS PURCHASE AGREEMENT AND WARRANTY AND INDEMNITY AGREEMENT

Pursuant to a master amendment agreement (the "**Master Amendment Agreement to the MAPA and W&I Agreement**") dated 27 February 2014 between BMPS, in the capacity of Principal Seller, and the Guarantor:

- clause 2.4 (*Caratteristiche degli Attivi diversi dai Crediti*) of the Master Assets Purchase Agreement has been amended in line with the definition of "*Asset Backed Securities*", in order to specify among the criteria applicable to the ABS Securities which may be assigned as Eligible Assets to the Guarantor under the Programme, that such ABS Securities must comply with the requirements set out in the ECB Guidelines;
- schedule 7 (*Avviso di Cessione da pubblicare sulla Gazzetta Ufficiale della Repubblica Italiana*), part B (*Avviso di cessione relativo ai Nuovi Portafogli ceduti dal Cedente Principale*), part C (*Avviso di cessione relativo alla prima cessione di un Nuovo Portafoglio da parte di un Cedente Ulteriore*) and part D (*Avviso di cessione relativo ai Nuovi Portafogli successivi al primo ceduti da un Cedente Ulteriore*) of the Master Assets Purchase Agreement have been amended, in order to include among the criteria applicable to the ABS Securities which may be assigned as Eligible Assets to the Guarantor under the Programme, that such ABS Securities must comply with the requirements set out in the ECB Guidelines;

- the representations and warranties given by the Sellers under Schedule 1 (*Dichiarazioni e Garanzie del Cedente*), Clause 6 (*Dichiarazioni e Garanzie relative ai Titoli*), letter (b) of the Warranty and Indemnity Agreement have been amended, so that each Seller will represent and warrant that the ABS Securities actually comply with the requirements set out in the ECB Guidelines with respect to the ABS Securities that may be included as Eligible Assets in the Cover Pool under the Programme.

Copies of the Amendment Agreement to the Master Definitions Agreement and the Master Amendment Agreement to the MAPA and W&I Agreement are available for inspection during normal business hours at the registered office of the Issuer.

Enquiries:

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