



STRUCTURED FINANCE

Publication Date: March 7, 2003

RMBS Presale**Marche Mutui Societ  per la Cartolarizzazione S.r.l.**** 344.4 million mortgage-backed floating-rate notes**

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This presale report is based on information as of March 7, 2003. The credit ratings shown are preliminary. This report does not constitute a recommendation to buy, hold, or sell securities. Subsequent information may result in the assignment of final credit ratings that differ from the preliminary credit ratings. Please call one of Standard & Poor's Ratings Desks for the final ratings when assigned: London (44) 20-7847-7400, Paris (33) 1-4420-6705, Frankfurt (49) 69-33-999-223, Stockholm (46) 8-440-5916.

Profile

Expected closing date: March 2003.

Collateral: A portfolio of performing residential mortgages sold by Banca delle Marche SpA.

Originator: Banca delle Marche SpA.

Underwriter: BNP Paribas.

Arrangers: Finanziaria Internazionale Securitisation Group SpA and BNP Paribas.

Operating account bank: Banca delle Marche SpA.

Bank account provider: BNP Paribas Securities Services.

Principal paying agent: BNP Paribas Securities Services.

Servicer: Banca delle Marche SpA.

Swap counterparty: BNP Paribas.

Representative of the noteholders: Securitisation Services SpA.

Supporting ratings: BNP Paribas (AA-/Stable/A-1+) as swap counterparty and supporting rating to its subsidiary, BNP Paribas Securities Services, in its role as account bank.

Preliminary credit ratings as of March 7, 2003

Class	Preliminary credit rating*	Preliminary amount (Mil. �)	Recommended credit support (%)
A1	AAA	**316.8	**10.5
A2	AAA	**TBD	**TBD
B	A	16.2	5.8
C	BBB	11.4	2.5

*The credit rating on each class of securities is preliminary and subject to change at any time.
**Represents class A1 and A2 combined. The exact split between the class A1 and A2 notes is yet to be determined.
TBD-To be determined.

Rationale

The preliminary credit ratings assigned to the class A1, A2, B, and C mortgage-backed floating-rate notes to be issued by Marche Mutui Societ  per la Cartolarizzazione S.r.l. reflect:

- Standard & Poor's analysis performed on the portfolio of loans transferred to the issuer, which took into account, in particular, the credit quality of the assets, consisting of a pool of performing mortgage loans secured by residential properties located in central Italy;
- Strong protection for the class A1 and A2 noteholders, provided by a combination of subordination of the class B notes (4.7%), the class C (3.3%), an  8.61 million cash reserve (2.5% of the senior notes), a trigger for the deferral of payment of interest on the class B, C, and D notes (see "Class B, C, and D Interest Requisite Levels"), and excess spread to cover credit losses;
- Protection for class B noteholders, provided by a combination of subordination of the class C notes, the cash reserve, the trigger for the deferral of payment of interest on the class C and D notes, and excess spread to cover credit losses;
- Protection for class C noteholders, provided by a combination of the cash reserve, the trigger for the deferral of payment of interest on the class D notes, and excess spread to cover credit losses;
- The credit quality of BNP Paribas (AA-/Stable/A-1+) as swap counterparty, and as supporting rating for its subsidiary, BNP Paribas Securities Services, in its role as account bank;
- The  8.61 million cash reserve fully funded at closing by the originator through the issuance of the unrated class D notes;
- The ability of the servicer to fulfill its role in this transaction; and
- The transaction's sound payment structure and cash flow mechanics.

Final credit ratings are expected to be assigned on the closing date subject to a satisfactory review of the transaction documents, the pool audit and legal opinion, and completion of a corporate overview.

Strengths, Concerns, and Mitigating Factors

Strengths

The following strengths of the transaction were observed in the rating analysis:

- The collateral, consisting of performing mortgage loans secured through a lien over residential properties, has good credit quality.
- None of the mortgage loans in the portfolio has installments in arrears.
- The average size of the loans in the portfolio is very small at about €62,533. These loans are considered to have less inherent risk than larger loans, which have increased sensitivity to changes in borrowers' financial conditions.
- About 46.14% of the portfolio consists of mortgage loans with a seasoning of more than 24 months.
- The cash reserve will be fully funded at closing in the amount of €8.61 million, which corresponds to 2.5% of the original balance of the issued (and rated) notes. It will remain at this level until the credit enhancement for the 'AAA' notes is doubled, at which point it will start amortizing at the rate of 5% of the outstanding rated notes, down to a floor equivalent to €1 million.
- The transaction involves a static portfolio, which has none of the risk inherent in revolving pools.

Concerns

Concerns identified with respect to the transaction are as follows:

- The debtors and the properties underlying the loans are mainly located in the region of Marche (87.18%), which, although characterized by a wealthy economy, results in a concentration risk.
- Of the portfolio, 2.26% is second lien mortgages.
- Payments made by the borrowers will be transferred daily by the servicer into a transitory collection account opened in the name of the issuer with Banca delle Marche SpA. When there is more than €0.5 million in the transitory collection account, funds standing to the credit of this account will be transferred to the account bank, BNP Paribas Securities Services SpA. As Banca delle Marche is not rated, there is a potential credit risk because the issuer's collections could be commingled with those of the originator. On an insolvency of Banca delle Marche, the cash credited to these accounts would be lost or frozen.
- Uncertainty remains on the appraisal values of some of the properties.

Mitigating Factors

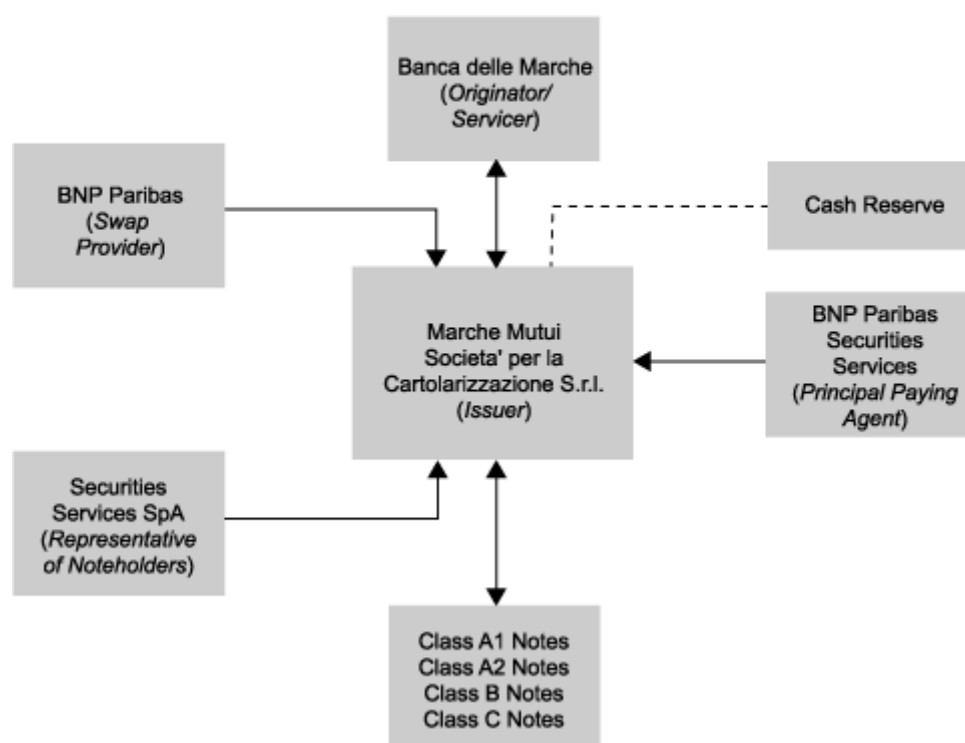
These concerns are mitigated by the following factors:

- Default assumptions for the transaction have factored in the geographic concentration risk inherent in the pool.
- The risk relating to second lien mortgage loans has been addressed in Standard & Poor's analysis through adjustment to the default risk and loss severity.
- The commingling risk on an insolvency of Banca delle Marche has been stressed in the cash flow analysis on the transaction by deducting the first month's collection of principal and interest.
- Given the uncertainty of the appraisal values of some of the properties, Standard & Poor's has assumed conservative valuations, giving an initial LTV ratio equal to 80% on the loans. The loans had an initial LTV ratio lower than or equal to 51%.

Transaction Structure

The structure of the transaction is shown in the chart below.

Marche Mutui Societa' per la Cartolarizzazione S.r.l. Structure



On the closing date, the issuer will issue the class A1, A2, B, C, and unrated class D notes. The proceeds of the rated notes will be used to pay the purchase price for the mortgage portfolio, while the proceeds of the class D notes will be used to fund the cash reserve. The mortgages will continue to be serviced by Banca delle Marche under the servicing agreements with the issuer. Borrowers will pay collections in respect of the portfolio to Banca delle Marche in its capacity as portfolio servicer. The servicing agreement provides that Banca delle Marche is required to transfer into the collection account of the issuer (opened with the account bank) all the collections when the amount standing in Banca delle Marche's account is higher than €0.5 million.

The amounts standing in the collection account and the amount standing in the cash reserve account will be invested in eligible investments. The issuer will make all required payments under the priority of payments from the payment account.

The issuer will enter into an interest rate swap agreement to hedge the risk arising from the mortgage loans paying either a floating or a fixed rate and the notes paying interest calculated on the basis of three-month EURIBOR.

Roles of the Parties

Marche Mutui Societa' per la Cartolarizzazione S.r.l. (Issuer)

The issuer is a limited liability company incorporated in Italy on Nov. 23, 2001 under Article 3 of Law No. 130. The issuer meets Standard & Poor's for bankruptcy-remoteness and conforms to Standard & Poor's SPE criteria.

The issuer's activities are restricted under the terms of the documentation to the issuance of the notes and directly related activities. It cannot incur debt other than the notes, or consolidate or merge with any other entity. The issuer cannot be required to take any action that would negatively affect the ratings on the notes.

Banca delle Marche SpA (Originator, Servicer, and Transitory Account Bank)

Banca delle Marche was established as a joint stock company on Nov. 1, 1994 as a result of the merger between Banca Carima SpA and Cassa di Risparmio di Pesaro SpA. On Dec. 31, 1995, Cassa di Risparmio di Jesi was merged into the bank.

Banca delle Marche has 2,430 employees. Its activity is concentrated in the Marche region, on the east side of central Italy. The bank manages its business through about 250 branches, mainly located in the Marche region. There are also branches in Lazio (nine branches), Umbria (10 branches), Emilia Romagna (three branches), and Abruzzo (two branches).

Banca delle Marche's traditional customer base principally comprises retail customers, small and midsize companies, and sole traders in the Marche region.

Banca delle Marche's shares are not listed on any stock exchange.

In addition to being the principal operating entity, Banca delle Marche is also the holding company in the banking group, which owns two major banking subsidiaries, Mediocredito Fondiario Centroitalia SpA and Cassa di Risparmio di Loreto SpA.

BNP Paribas Securities Services (Account Bank and Principal Paying Agent)

According to the provisions of the cash allocation, management, and payment agreement, BNP Paribas Securities Services will act as account bank and principal paying agent. All collections standing to the credit of the collection account will be transferred to an account in the name of the issuer held with BNP Paribas Securities Services when the amount deposited in the transitory account is higher than €0.5 million. BNP Paribas Securities Services will then use the relevant amount to make payments due under the terms and conditions of the rated notes.

BNP Paribas (Swap Counterparty)

BNP Paribas in the role of swap counterparty will receive from the issuer the collection of interest calculated on the outstanding performing portfolio. The swap counterparty will pay to the issuer three-month EURIBOR plus 145 basis points (bps) calculated on the average collateral portfolio (performing and delinquent receivables).

Terms and Conditions of the Notes

Interest

Interest on the class A1, A2, B, and C notes will be payable at a rate equal to three-month EURIBOR plus an annual margin to be determined. Interest will be payable quarterly, in arrears, in April, July, October, and January in each year. The first interest payment date will be in July 2003.

Principal Redemption

The notes will be subject to mandatory redemption in whole or in part on each interest payment date according to the funds available for amortization. However, there will be no principal repayment on the notes until 18 months after the issue date. The redemption of the notes will take place in whole or in part on each interest payment date.

Following the final maturity falling on the interest payment date in January 2032, and unless previously redeemed in full, all notes will be deemed to be discharged in full and any amount in respect of principal, interest, or other amounts will be finally and definitively cancelled.

The notes will be subject to optional redemption if:

- The notes become subject to withholding tax (if payment of principal and interest on the notes becomes subject to such tax the issuer is not obliged

to gross up); or

- The portfolio outstanding amount is less than 10% of the original outstanding principal of the portfolio on any payment date.

Protection Against Key Risks

Credit and Liquidity Support

Credit support for the class A1 and A2 notes will be provided by subordination of the class B and C notes, the cash reserve, and the interest deferral feature in the transaction when cumulative defaults hit a target level (See "*Class B, C, and D Interest Requisite Levels*" below).

Credit support for the class B notes will be provided by subordination of the class C notes, the cash reserve, and the interest deferral feature in the transaction when the cumulative defaults hit the relevant target level.

Credit support for the class C notes will be provided by the cash reserve and by a cash trapping mechanism based on a level of net cumulative defaults.

Payments received by the issuer under the swap have been included in the transaction to size the credit enhancement required.

The cash reserve will be sized at €8.61 million and funded through the issuance of the class D notes. The cash reserve will represent 2.5% of the outstanding balance of the rated notes at closing.

Class B, C, and D Interest Requisite Levels

The payment of interest on the class B notes will be deferred after principal payments on the class A1 and A2 notes when cumulative principal gross defaults for the portfolio reach 16% of the initial amount of the portfolio. Similarly, the payment of interest on the class C notes will be deferred after principal payments on the class A1, A2, and B notes when the cumulative principal gross defaults for the portfolio reach 12%.

Payment of interest on the unrated notes will be deferred when the cumulative principal net defaults for the portfolio reach 4%. The cash trapped in the SPE will form part of the available funds in the subsequent interest payment date.

The sizing of the class A1, A2, B, and C notes and the cash reserve has been based on Standard & Poor's credit and cash flow analysis on the assets (see "*Pool Characteristics and Credit Analysis*").

Hedging

BNP Paribas will provide a swap that hedges interest-rate risk arising from the mortgage loans paying either a floating or a fixed rate and the notes paying interest calculated on the basis of three-month EURIBOR.

The issuer will pay to the swap counterparty an amount equivalent to the actual interest collected on the pool of assets and will receive from the swap counterparty three-month EURIBOR plus a margin of 1.45% on the collateral performing portfolio (gross of delinquent receivables) at each payment date.

Appropriate downgrade language will be included in the swap documents in case the swap counterparty's short-term rating falls below 'A-1'.

Pool Characteristics and Credit Analysis

Collateral Description

The provisional pool of Italian mortgage loans to be securitized on the closing date was originated by Banca delle Marche. The pool's value is about €344.4 million (5,507 loans) and the mortgage loans were selected as of Dec. 23, 2002.

The principal features of the mortgage pool are as follows:

- All mortgage loans are performing.
- Of the mortgage loans, 3% are second-lien mortgages.
- All of the mortgage loans are fully amortizing over the life of the loans.
- All the mortgage loans were granted for purchasing a first home.
- Of the mortgage loans, about 4.57% are floating rate, 0.64% are fixed, and 94.79% are "modular". Of the loans, 100% pay monthly.
- The weighted-average current LTV ratio of the mortgage pool is about 66.91%, based on the lower of the valuation or "*ipoteca*" (mortgage valuation).
- The average outstanding mortgage balance is about €62,533 and the maximum is €690,897.
- The weighted-average seasoning of the portfolio is 24.42 months.

Cash Flow Stress Test

Standard & Poor's analysis on the pool includes a conservative assessment of the credit risk inherent in the transaction. The credit enhancement levels have been sized after analyzing the impact that severe stress scenarios would have on the mortgage-loan collateral.

As a result of this analysis, Standard & Poor's estimated the largest amount of potential losses stemming from these stress scenarios and set the amount of loss protection required for the notes accordingly.

The credit analysis on the portfolio involved a loan-by-loan analysis of the pool, with specific assumptions made on default and recoveries based on the characteristic of the loans, together with information obtained from Standard & Poor's corporate overview.

Standard & Poor's analysis fully reflects the specific features of the Italian market with respect to loss severity, especially the high foreclosure costs and relatively long foreclosure periods.

A cash flow model simulating the performance of the portfolio within the transaction's documented structure was run under certain rating scenarios to stress liquidity and level of excess spread in the transaction. Prepayment levels, fees and expenses to be paid by the issuer, and delinquencies were the most important parameters stressed in all runs.

Surveillance Details

Continual surveillance will be maintained on the transaction until the notes mature or are otherwise retired. To do this, regular servicer reports detailing the performance of the underlying collateral will be analyzed, supporting ratings will be monitored, and regular contact will be made with the servicer to ensure that minimum servicing standards are being sustained and that any material changes in the servicer's operations are communicated and assessed.

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