

Final Terms dated 13 September 2010

UNIONE DI BANCHE ITALIANE S.c.p.a.

Issue of €1,000,000,000 3.375 per cent.

Covered Bonds (*Obbligazioni Bancarie Garantite*) due 15 September 2017

Guaranteed by

UBI Finance S.r.l.

under the €10,000,000,000 Programme

Part A - CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the prospectus dated 30 July 2010 and the supplement to the prospectus dated 3 September 2010, which together constitute a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Covered Bonds (*Obbligazioni Bancarie Garantite*) described herein for the purposes of Article 5.4 of the Prospectus Directive. These Final Terms contain the final terms of the Covered Bonds (*Obbligazioni Bancarie Garantite*) and must be read in conjunction with such Base Prospectus as so supplemented. Full information on the Issuer, the Guarantor and the offer of the Covered Bonds (*Obbligazioni Bancarie Garantite*) described herein is only available on the basis of the combination of these Final Terms and the Base Prospectus as so supplemented. The Base Prospectus (including the supplement thereof) is available for viewing at the Issuer's website (<http://www.ubibanca.it>).

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|----|------|-----------------------------------|------------------------------------|
| 1. | (i) | Issuer: | Unione di Banche Italiane S.c.p.a. |
| | (ii) | Guarantor: | UBI Finance S.r.l. |
| 2. | (i) | Series Number: | 4 |
| | (ii) | Tranche Number: | 1 |
| 3. | | Specified Currency or Currencies: | Euro (" EUR ") |
| 4. | | Aggregate Nominal Amount: | |
| | (i) | Series: | EUR 1,000,000,000 |
| | (ii) | Tranche: | EUR 1,000,000,000 |

5. Issue Price: 99.969 per cent. of the Aggregate Nominal Amount
6. (i) Specified Denominations: EUR 50,000 plus integral multiples of EUR 1,000 in excess thereof up to and including EUR 99,000. No Covered Bonds in definitive form will be issued with a denomination above EUR 99,000.
- (ii) Calculation Amount: EUR 1,000
7. (i) Issue Date: 15 September 2010
- (ii) Interest Commencement Date: Issue Date
8. Maturity Date: 15 September 2017
9. (i) Extended Maturity Date of Guaranteed Amounts corresponding to Final Redemption Amount under the Covered Bond Guarantee: 17 September 2018
- (ii) Extended Instalment Date of Guaranteed Amounts corresponding to Covered Bond Instalment Amounts under the Covered Bond Guarantee: Not Applicable

10. Interest Basis: For the period from and including the Issue Date to but excluding the Maturity Date (the "**Original Maturity Period**"), a Fixed Rate of 3.375 per cent. per annum.
- If payment of the Final Redemption Amount on the Maturity Date is deferred in whole or in part pursuant to Condition 9(b) (*Extension of maturity*), for the period from and including the Maturity Date to but excluding the Extended Maturity Date or, if earlier the date on which the Covered Bonds are redeemed in full (the "**Extended Maturity Period**"), 1 month EURIBOR plus 1.20 per cent per annum Floating Rate.
- (further particulars specified below)
11. Redemption/Payment Basis: Redemption at par
12. Change of Interest or Redemption/Payment Basis: Yes. See paragraph 10 above
13. Put/Call Options: Not Applicable
14. Date of Board approval for issuance of Covered Bonds and Covered Bond Guarantee respectively obtained: 30 March 2010 with reference to approval of the issuance of Covered Bonds by the Issuer.
19 April 2010 with reference to approval of the increase of the Covered Bond Guarantee by the Guarantor.
15. Method of distribution: Syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. **Fixed Rate Provisions** Applicable in respect of the Original Maturity Period.
- (i) Rate(s) of Interest: 3.375 per cent. per annum payable annually in arrear
- (ii) Interest Payment Date(s): 15 September in each year from (and including) 15 September 2011 adjusted in accordance with the Following Business Day

		Convention
(iii)	Fixed Coupon Amount:	EUR 33.75 per Calculation Amount
(iv)	Broken Amount(s):	Not Applicable
(v)	Day Count Fraction:	Actual/Actual (ICMA) unadjusted
(vi)	Other terms relating to the method of calculating interest for Fixed Rate Covered Bonds:	Not Applicable
17	Floating Rate Provisions	Applicable in respect of the Extended Maturity Period if payment of the Final Redemption Amount is deferred pursuant to Condition 9(b) (<i>Extension of maturity</i>).
(i)	Interest Period(s):	Interest will be payable monthly in arrear on each Interest Payment Date from (and including) the Maturity Date up to (and excluding) the Extended Maturity Date or, if earlier, the date on which the Covered Bonds are redeemed in full.
(ii)	Specified Period:	Not Applicable
(iii)	Interest Payment Dates:	The 15th day of each month falling during the Extended Maturity Period
(iv)	First Interest Payment Date:	15 October 2017
(v)	Business Day Convention:	Following Business Day Convention
(vi)	Additional Business Centre(s):	London
(vii)	Manner in which the Rate(s) of Interest is/are to be determined:	Screen Rate Determination
(viii)	Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Principal Paying Agent):	Not Applicable

- (ix) Screen Rate Determination:
- Reference Rate: 1 month EURIBOR
 - Interest Determination Date(s): The second TARGET2 Settlement Day prior to the commencement of each Interest Period
 - Relevant Screen Page: Reuters EURIBOR 01
 - Relevant Time: 11:00 a.m. Brussels Time
 - Relevant Financial Centre: Euro-Zone
- (x) ISDA Determination: Not Applicable
- (xi) Margin(s): 1.20 per cent. per annum
- (xii) Minimum Rate of Interest: Not Applicable
- (xiii) Maximum Rate of Interest: Not Applicable
- (xiv) Day Count Fraction: Actual/360
- (xv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Covered Bonds, if different from those set out in the Conditions: Not Applicable

18. **Zero Coupon Provisions** Not Applicable

19. **Index Linked or Other Variable Linked Interest Provisions Index/Formula/other variable** Not Applicable

20. **Dual Currency Note Provisions** Not Applicable

PROVISIONS RELATING TO REDEMPTION

21. **Call Option** Not Applicable

22. **Put Option** Not Applicable

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23. **Final Redemption Amount of** EUR 1,000 per Calculation Amount
Covered Bonds

24. **Early Redemption Amount** Not Applicable

Early redemption amount(s) per Calculation Amount payable on redemption for taxation reasons or on acceleration following an Event of Default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

25. Additional Financial Centre(s) or London
other special provisions relating to payment dates:

26. Details relating to Covered Bonds issued on a partly paid basis: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Covered Bonds and interest due on late payment: Not Applicable

27. Details relating to Covered Bonds for which principal is repayable in instalments: amount of each instalment, date on which each payment is to be made: Not Applicable

28. Redenomination provisions: Redenomination not applicable

29. Other final terms: Not Applicable

DISTRIBUTION

30. (i) If syndicated, names of **Joint Lead Managers**
Managers:

Barclays Bank PLC, Crédit Agricole
Corporate and Investment Bank, Morgan

Stanley & Co. International plc, UBS Limited, UniCredit Bank AG

Co-Lead Managers

Centrobanca, Nomura International plc, J.P. Morgan Securities Ltd

(ii) Stabilising Manager(s) (if Not Applicable any)

- 31. If non syndicated, name of Dealer Not Applicable
- 32. U.S. Selling Restrictions Reg. S Compliance Category 2
- 33. Additional selling restrictions Not Applicable

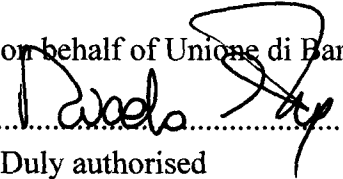
PURPOSE OF FINAL TERMS

These Final Terms comprise the final terms required for issue and admission to trading on the regulated market of the London Stock Exchange of the Covered Bonds described herein pursuant to the Euro 10,000,000,000 Covered Bond Programme of Unione di Banche Italiane S.c.p.a.

RESPONSIBILITY

The Issuer and the Guarantor accept responsibility for the information contained in these Final Terms.

Signed on behalf of Unione di Banche Italiane S.c.p.a.

By: 
Duly authorised

Signed on behalf of UBI Finance S.r.l.

By:
Duly authorised



Part B - OTHER INFORMATION

1. LISTING

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| (i) | Listing | London |
| (ii) | Admission to trading | Application has been made by the Issuer (or on its behalf) for the Covered Bonds to be admitted to trading on the regulated market of the London Stock Exchange with effect from 15 September 2010 |

2. RATINGS

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| Ratings: | The Covered Bonds to be issued are expected to be rated:
Moody's: Aaa
Fitch: AAA |
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3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Save as discussed in "*Subscription and Sale*", so far as the Issuer is aware, no person involved in the offer of the Covered Bonds has an interest material to the offer.

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS AND TOTAL EXPENSES

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| Reasons for the offer | The net proceeds of the sale of the Covered Bonds will be used by the Issuer for general funding purposes of the UBI Group |
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5. YIELD

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| Indication of yield: | 3.380 per cent.

As set out above, the yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield. |
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6. HISTORIC INTEREST RATES

Details of historic EURIBOR rates can be obtained from Reuters.

7. PERFORMANCE OF INDEX/ FORMULA/OTHER VARIABLE, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS AND OTHER INFORMATION CONCERNING THE UNDERLYING

Not Applicable

8. PERFORMANCE OF RATES OF EXCHANGE AND EXPLANATION OF EFFECT ON VALUE OF INVESTMENT

Not Applicable

9. OPERATIONAL INFORMATION

ISIN Code: IT0004619109

Common Code: 054162448

Any Relevant Clearing System(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s): Monte Titoli S.p.A.

Delivery: Delivery against payment

Names and Specified Offices of additional paying agent(s) (if any): Not Applicable

10. FURTHER INFORMATION IN RESPECT OF THE ISSUER

Objects:

The objects of the Issuer, as set out in Article 4 of its by-laws are:

Drawing its inspiration from the traditional principles of credit societies, the purpose of the Issuer is the collection of savings and credit management in various forms, both directly and through subsidiary companies, both towards partners and towards non-partners. To this end, it may, provided it complies with the legislation in force and subject to the obtainment of the prescribed authorisations, both directly and through subsidiary companies, carry out any transactions and banking or financial services, as well as any other activity credit institutions are allowed to conduct, including issue of bonds and granting of loans regulated by special laws.

Furthermore, the Issuer may carry out any other transaction serving as a means or in any case connected to achieving the corporate purpose.

The Issuer, in pursuing the shareholders' benefit, pays special attention to the exploitation of the resources of the territory where it is located through its own distribution network and of the Group. In compliance with its own institutional aims, the Issuer grants special terms to the shareholder customers with regard to the enjoyment of specific services.

In order to attain its purposes, the Issuer may become a member of associations and consortia within the banking system, both in Italy and abroad.

The Issuer, in its capacity as parent Issuer of Unione di Banche Italiane Group, also shortened to UBI Banca Group (hereinafter, the “**Group**”), pursuant to article 61, fourth paragraph, of Italian Legislative Decree No. 385 dated 1 September, 1993, issues - in exercising its respective management and co-ordination activities – provisions regulating Group companies, also for the carrying out of any instructions issued by the Bank of Italy (*Banca d'Italia*) and in the interest of the Group’s stability.

Registered Office: Piazza Vittorio Veneto, 8, 24122 Bergamo, Italy.

Company’s Registered Number: Companies’ Registry of Bergamo no. 03053920165.

Amount of paid-up share capital and reserves: Paid-up share capital: €1,597,864,755 consisting of 639,145,902 ordinary shares with a nominal value of €2.50

Reserves: € 1,572,877,892 as at 30 June 2010

Date of resolutions authorising the issue of the Notes: 30 March 2010 (Resolution of the Management Board)