

Replacement Plan for Reference Indices Drafted pursuant to Article 28, Paragraph 2, of Regulation (EU) No. 2016/1011 and Article 118-bis of Legislative Decree No. 385 of September 1, 1993

1. Reference Legislation

Article 28, paragraph 2, of Regulation (EU) No. 2016/1011 (also known as the "Benchmark Regulation") establishes that supervised entities using a reference index must:

- a) Draft and maintain replacement plans specifying the actions to be taken in case of cessation or substantial variation of a reference index;
- b) Where possible and appropriate, designate one or more alternative reference indices in the replacement plans to be used for the replacement of ceased or varied indices, indicating why such indices would be valid alternatives;
- c) Provide the replacement plans and any updates to the Authority upon request without undue delay and reflect them in their contractual relationship with clients.

In accordance with the aforementioned Article 28, paragraph 2, of the Benchmark Regulation, the new Article 118-bis of the Consolidated Banking Act (TUB) governs:

1. The methods of publication and communication to clients of the Replacement Plans, as well as their updates. Specifically:
 - a) Banks and financial intermediaries must publish, even in extract form, and keep updated the Replacement Plans on their website;
 - b) Updates to the Replacement Plans must be communicated to clients through a notice of the update – referring to the updated version published on the website – at least once a year or at the first available opportunity, according to the methods provided by Article 119 of the TUB regarding periodic communications to clients;
2. Contractual clauses concerning interest rates. Specifically, the clauses must allow for the identification – even by reference to the Replacement Plans – of changes to the reference index or the substitute index in the event of variation or cessation of the reference index applied to the contract;
3. The obligation to communicate to the client within thirty days of the occurrence of the substantial variation or cessation of the reference index applied to the contract. The change is considered approved if the client does not withdraw from the contract within two months of receiving the communication. In case of withdrawal, the client is entitled to the application of

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the previously practiced conditions, including the interest rate, at the time of settlement of the relationship;

4. The ineffectiveness of changes and substitutions of the reference index for which the prescriptions of the article in question have not been observed. In case of ineffectiveness, the substitute index defined pursuant to the Benchmark Regulation will apply.

The above rules apply to contracts concerning operations and services governed by Title VI of the TUB (banking and financial operations and services, consumer credit, and payment services) regarding the transparency of contractual conditions and relationships with clients.

Consistent with the provisions of the aforementioned legislation, Prelios Credit Servicing SPA (hereinafter also referred to as the "Company" or "Precls") operates exclusively as a user of reference indices and is therefore required to draft and update the Replacement Plan for rates in indexed products.

2. Monitoring of Indices

If the Company, in its index monitoring activities, detects a substantial variation or cessation of one of them, it will initiate the implementation procedure of this Plan. "Substantial variation" of a reference index means a significant change that impacts the methodology used to determine the index itself or significant changes in the structure or calculation of the index (for example, if the administrator of an index decides to implement a new methodology that results in a substantial change in the underlying interest that the index intends to measure, this would be considered a substantial variation). A quantitative variation due to the natural daily fluctuation of the reference parameter is not considered a "substantial variation." The "cessation of an index" occurs when the reference parameter is no longer detected or determined, permanently, by the index administrator. Temporary unavailability of the reference parameter does not constitute "cessation of an index."

3. Identification of Substitute Indices

Substitute indices will be chosen based on criteria of availability, transparency, market representativeness, and compliance with current regulations. If European authorities or the competent national authority directly indicate a substitute index for the parameter for which any event of cessation of a reference index has occurred, the Company will apply such substitute index and the identified adjustment criteria. If any event of cessation of a reference index occurs, the Company will apply the alternative index (including any differential or adjustment) for the relevant type of operation and/or product that is recognized as a market parameter replacing the ceased index and that, in compliance with applicable regulations, has been formally recommended, designated, or identified in replacement of the suppressed parameter by law or by the European Central Bank and/or any

regulatory or supervisory authority (or by any working group or committee sponsored or chaired by, or established at the request of, any of them) to recommend a substitute rate for the parameter.

4. Communication to Clients

To promptly respond to the cessation or substantial variation of a reference index, the Company will communicate to the clients affected by such change:

- a) The index subject to cessation/variation;
- b) The substitute index to be applied;
- c) The methods of replacing the index.

With particular reference to contracts concerning operations and services governed by Title VI of the TUB, in accordance with Article 118-bis, paragraph 3, the Company will communicate to the client within thirty days, in writing or by other durable medium previously accepted by the client, the identified changes or substitute index. The change will be considered approved if the client does not withdraw, without expenses, from the Contract within two months of receiving the communication. In case of withdrawal, the client is entitled, at the time of settlement of the relationship, to the application of the previously practiced conditions, including the interest rate, taking into account, if necessary, the last available value of the reference index. In compliance with Article 118-bis, paragraph 1, of the TUB, updates to this document are communicated to clients holding Contracts at least once a year or at the first available opportunity, within the framework of periodic Transparency communications.

5. Execution and Review of the Plan

This Plan is updated and implemented according to a structured, disciplined, and approved procedure by the Company. In case of an update, the Plan is published and made available to clients on the website.

Last update: December 20, 2024