



## **Conclusion of Annex No. 2 to the Order Agreement for the periodic granting of a guarantee of unfunded credit protection and Annex No. 2 to the framework Agreement for periodic counter-guarantee**

**Company:** Alior Bank S.A.

**Current report No.:** 30/2023

**Date:** October 26, 2023

**Legal basic:** Article 17 (1) of MAR- confidential information

**Content of the report:** With reference to the current report No. 29/2023 of October 26, 2023, the Management Board of Alior Bank S.A. ("Bank"), acting pursuant to Article 17 (1) of Regulation (EU) No 596/2014 of April 16, 2014, on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC ("MAR"), informs that on October 26, 2023, Annex No. 2 to the Order Agreement for periodic granting of a guarantee of unfunded credit protection („Guarantee Agreement”) was concluded between the Bank and Powszechny Zakład Ubezpieczeń Spółka Akcyjna ("PZU S.A."). Moreover, on October 26, 2023, Annex No. 2 to the framework Agreement for periodic counter-guarantee ("Counter-guarantee Agreement") between PZU S.A. and its counterparty ("Counterparty") was concluded, which defines the rules of granting by the Counterparty at the request of PZU S.A. counter-guarantees issued for the benefit of the Bank.

The Guarantee Agreement specifies the rules for granting by PZU S.A. within the limit of exposure, at the request and on behalf of the Bank of unfunded credit protection insurance guarantees.

The exposure limit under the Guarantee Agreement amounts to a maximum of PLN 4 billion (four billion zlotys). The limit is valid for a period of 3 years and is renewable, which means that the expiry of the guarantee renews the limit for the "released" amount less the amount of possible disbursements from the guarantee.

The amount of remuneration for granting guarantees under the Guarantee Agreement will be influenced, among others, by the amortization of the portfolio. In addition, the remuneration may include a premium for a counter-guarantee, which PZU S.A. may order from its Counterparty on the basis of the Counter-Guarantee Agreement.



At the moment, it is not possible to provide the amount of remuneration for the guarantee provided under the Guarantee Agreement, as it will depend on the amount of the guarantee sum and the quality of the portfolio secured by the guarantee. The issue of each guarantee will be preceded by the Bank's application and the assessment and valuation of the portfolio submitted for the guarantee.

Detailed information about the individual guarantees issued by PZU S.A. under the Guarantee Agreement will be provided by Alior Bank S.A. to the public in separate current reports.

To secure the payment of the remuneration for the guarantee granted under the Guarantee Agreement, the Bank will submit a declaration on the voluntary submission to execution in the form of a notarial deed.

The maximum period of validity of guarantees issued under the Guarantee Agreement is 5 years and is extended by the period for submitting claims. The Bank's deducible in receivables due from debt claims is 10% of the value of the portfolio covered by a given guarantee.

The Guarantee Agreement includes contractual penalties that may be due to PZU S.A. from the Bank in the event of breach of certain obligations of the Bank under the Guarantee Agreement. The total maximum amount of contractual penalties may not exceed PLN 3 million (three million zlotys). The Guarantee Agreement does not exclude the possibility of seeking damages exceeding the sum of contractual penalties.

Under the annexed Counter-guarantee Agreement, which defines the rules for granting by the Counterparty at the request of PZU S.A. counter-guarantees issued for the benefit of the Bank, the available counter-guarantee limit is PLN 3.2 billion (three billion two hundred million zlotys). The available limit will be reduced each time a subsequent counter-guarantee is granted by the guarantee amount indicated in this counter-guarantee, whereas the available counter-guarantee limit will be renewable, which means that the expiry of the counter-guarantee will cause the limit to be renewed.