

**Business Regulations and General Terms and Conditions pertaining to  
CIB Bank Ltd's  
Factoring Services**

(Operating licence number: 957/1997/F, III/41.044-10/2002)

**Effective from: 1<sup>st</sup> of July, 2022**

## I. GENERAL PROVISIONS OF THE BUSINESS REGULATIONS

### 1. Introductory provisions

- 1.1. The Business Regulations and General Terms and Conditions (hereinafter: **Business Regulations**) contain the general terms of the legal transactions entered into between CIB Bank Zrt. (registered office: 1027 Budapest, Medve u. 4-14, company registration no.: 01-10-041004; tax number: 10136915-4-44; operating licence number:) (hereinafter: the **Bank**) and its Clients, which are binding upon both the Bank and the Client without a separate stipulation to such effect, unless the individual agreements determine provisions to the contrary. The general provisions of these Business Regulations apply to issues for which the specific business regulations applicable to the individual types of credit-institution transaction do not establish rules different from these.
- 1.2. In respect of matters not regulated in the agreement concluded between the Bank and the Client, the provisions of these Business Regulations shall primarily apply, and in respect of any matters not regulated herein, the provisions of the effective statutory regulations shall apply. With respect to certain transactions – particularly orders related to foreign trade – the appropriately announced international agreements and regulations (standards) shall apply.
- 1.3. The List of Conditions constitutes an inseparable part of these Business Regulations.
- 1.4. The Bank reserves the right to unilaterally supplement the Business Regulations and/or the List of Conditions whenever a new service is introduced.
- 1.5. Should any provision, or a part thereof, of any agreement concluded between the Bank and the Client be invalid or unenforceable, this shall not affect the validity of the other parts of the agreement. In such cases the Bank and the Client shall substitute the invalid or non-enforceable provision with a valid and enforceable provision that best approximates the economic substance and purpose of the provision to be substituted.
- 1.6. Should an issue arise in the course of business relations that is not regulated either by these Business Regulations or by the individual agreements, then – depending on the agreement between the Parties and the time of contracting – the relevant provisions of the Civil Code or the new Civil Code or other applicable statutory regulations shall apply.
- 1.7. The Bank's activity:
  - 1.7.1 The activity as per Section 3 (1), point l) of Act CCXXXVII of 2013, including, within that, factoring activity and bill discounting, which does not, however, include retail consumer lending;
  - 1.7.2 Provision of suretyship as per Section 3 (1), point g) of Act CCXXXVII of 2013, including, within that, factoring activity and bill discounting, which does not, however, include retail consumer lending;
  - 1.7.3. Provision of cash loan as per Section 3 (1), point b) of Act CCXXXVII of 2013.

### 2. Definitions and Interpretive Provisions

#### 2.1. Definitions

- 2.1.1 **"VAT Act"** means Act CXXVII of 2007 on value added tax.
- 2.1.2 **"Banking Day"**: any such day on which the banks in Budapest, London, New York, and the countries of currencies in which the prepaid or purchased receivables are denominated, are open, carry on usual business operations, and conduct deposit and foreign currency transactions, and, in the case of currencies other than these, those days on which the banks of the given currency's financial centre are open; and in the case of euro, every week day, with the exception of 25 December and 1 January. Bank holidays that are taken in the case of banks operating in Hungary are not banking days in respect of any of the currencies.
- 2.1.3 **"Right of offsetting"**: The Bank's right under which it is entitled to offset any overdue outstanding payment obligation of the Client towards the Bank against any outstanding claim of the Client from the Bank.
- 2.1.4 **"Security Provider"** any such person (including the Client) who provides collateral for securing the Client's obligations under or in connection with the Agreement.
- 2.1.5 **"Security deposit"**: a cash deposit that is set aside for the event that the credit insurer does not recognise the claim and does not perform payment in respect of it, as well as the deposit that the Bank is entitled to set aside for when, in respect of another risk assumption transaction, the reason for the obligor's non-payment cannot be determined, or such payment does not take place due to a commercial dispute.

- 2.1.6 **“CIB Bank Group”** or **“CIB Group”** means the entities specified in Annex 1 to these Business Regulations.
- 2.1.7 **“CIB Prime Rate”** is the reference interest rate applied by the Bank with respect to Factoring Services extended to sole traders, agricultural prime producers and companies, the extent of which is published by the Bank in the relevant List of Conditions and Schedule of Interest Rates, and which is available on its internet site [www.cib.hu](http://www.cib.hu).
- 2.1.8 **“Consideration”**: any and all fees related to a Factoring Transaction that are listed in subsection 1.7 of Section III of these Business Regulations.
- 2.1.9 **“Settlement Amount”** the part of the receivable constituting the object of the Factoring Transaction, or the corresponding amount that the Bank must pay to the Client as an advance, and in respect of which the parties settle with each other following the financial performance of the Factoring Transaction in accordance with the rules of the Agreement.
- 2.1.10 **“Factoring Service”** means any of the following services offered by the Bank: (i) recording of receivables; (ii) financing; (iii) assumption of risk; and (iv) enforcement of the receivable (collection/recovery). The services are provided by the Bank in accordance with the provisions of the Agreement, with the proviso that the registration service always constitutes a part of the Agreement.
- 2.1.11 **“Factoring Transaction”**: a legal transaction related to a given receivable, which starts from the receipt of the invoice and lasts until the full financial performance of the factoring transaction.
- 2.1.12 **“Event of Default”**: any act, omission or other event defined as such in section 10 of Paragraph III of these Business Regulations and, beyond the cases covered by said section 10 (in the case of Agreements concluded prior to 15 March 2014, unless the Parties have agreed to apply the provisions of the new Civil Code), those covered in Section 525 of Act IV of 525 on the Civil Code, or (in the case of Agreements concluded on or after 15 March 2014, and if the Parties have agreed on the application of the new Civil Code), those covered in Section 6:382 para. (4) and Section 6:387 of the new Civil Code (except for the cases defined in Section 525 para. 1) points (a) and (b) of the Civil Code and Section 6:387 para. (1) point (b) of the new Civil Code).
- 2.1.13 **“Insolvency”**:
- (a) the Client or the Buyer (i) becomes or is deemed insolvent pursuant to the law, or is otherwise insolvent or unable to pay its debts when due; (ii) announces to any of its creditors or acknowledges that it is unable to pay its debts when due; (iii) suspends the repayment of its debts or makes a declaration regarding its intent to do so; or (iv) starts negotiations with any of its creditors with the intent of settling or rescheduling its debts; and/or
  - (b) submits a request for the conducting, against the Client or against the Buyer itself, of a bankruptcy procedure or other, similar procedure (e.g. supervisory procedure for ensuring the lawful operation of the company), and/or such a request is submitted against the Client or the Buyer by another person; and/or
  - (c) the supreme decision-making body or other board of the Client or of the Buyer has resolved to institute liquidation or bankruptcy proceedings against itself, or has been convened for the purpose of passing such resolution; and/or
  - (d) the bankruptcy proceedings or the launch of the liquidation proceedings against the Client or the Buyer are ordered by court resolution, or a trustee in bankruptcy, temporary trustee in practice, liquidator or executor is appointed,
- not included in this category, however, shall be any non-payment arising from offsetting by the Client or the Buyer, or from any legal dispute associated with the underlying transaction.
- 2.1.14 **“Day of Disbursement”**: the day on which the Bank, in respect of an amount corresponding to the proportion, specified in the Agreement, of the prepaid and purchased receivable, initiates the related transfer to the Client’s current account specified in the Agreement.
- 2.1.15 **“Term”**: the period, expressed in calendar days, preceding the payment deadline indicated on the invoice that represents the purchased receivable.
- 2.1.16 **“Written form”** means the conclusion in writing of the Agreement or of any other agreement, or of any amendment thereof, including, in the case of the Agreement, any limit modification performed over a voice-recorded telephone, with the proviso that the limit modification performed by telephone is confirmed by the parties at any time subsequently at the request of either party, as well as the subsequent written confirmation (sent on paper), by the other party, of a contractual declaration sent to the other party and initiated by the Bank or the Client via a Telecommunication Device.
- 2.1.17 **“Language of liaison”**: the language used during the communication between the Bank and the

Client.

- 2.1.18 **“Surety”** any person who undertakes a surety guarantee for the performance of the Client’s obligations existing under or in connection with the Agreement.
- 2.1.19 **“CCIS”** means the central credit information system recognised by the National Bank of Hungary.
- 2.1.20 **“Risk assumption limit”**: the upper limit of receivables factored under the risk assumed by the Bank.
- 2.1.21 **“Own risk portion”**: the part of the receivable factored under the risk assumed by the Bank in respect of which, for the event of non-payment, the Bank does not assume risk, and that is borne by the Client in the event that the obligor of the factored receivable does not, for any reason (including, without limitation, the Insolvency of such obligor), perform.
- 2.1.22 **“List of Conditions”** means the terms and conditions of non-customised transactions concluded between the Bank and the Client – as determined in the lists of conditions and notices published in compliance with the relevant legal regulations and these Business Regulations, which constitutes an inseparable part of the Agreement.
- 2.1.23 **“Material Adverse Impact”** any material adverse impact pertaining to (a) the ability of the given person to fulfil its obligations under the Agreement; or (b) the validity or enforceability of any Agreement; or (c) the given person’s financial management or net-worth (financial) position and/or credit-worthiness.
- 2.1.24 **“Minimum turnover stipulation”** the annual factored gross invoice amount that is taken into account when determining the Factoring Fee and the Handling Charge, the amount of which is contained in the given Agreement.
- 2.1.25 **“Working Day”** means a day on which the Bank, according to its effective opening hours, conducts business activity, and thus on which the Bank is open for the purpose of performing the Factoring service.
- 2.1.26 **“Non-Working Day”** means a day on which the Bank does not conduct business activity.
- 2.1.27 **“Deposit”** means, collectively, (i) the Vendor Deposit, (ii) the Security Deposit and (iii) the Settlement Amount, with the proviso that the Security Amount shall only qualify as a deposit if it is actually removed from under the Client’s disposal and is credited to a separated account of the Bank or the Client used exclusively for the purposes of a deposit, and (iv) any such amount as the Client transfers to the Bank and as the Bank is obliged to transfer-on, up until the day on which such amount is removed from the Bank’s disposal.
- 2.1.28 **“Civil Code”** Act IV of 1959 on the Civil Code
- 2.1.29 **“Reference Interest Rate”**: the latest benchmark interest rate, reflecting changes in the capital and money market interest rates, which serves as the basis for computing any applicable interest, is calculated on the basis of publicly announced conditions, is published regularly, and is specified for the public in an accessible manner.
- 2.1.30 **“Vendor Limit”** is the upper limit of the advances provided by Bank to the Client, and which is of a revolving nature. The Bank shall not advance any claim in excess of this amount even if the Buyer limit of the given Buyer has not been used in full.
- 2.1.31 **“Vendor Deposit”** is a cash deposit securing the entire Agreement, which the Client makes available to the Bank in accordance with the provisions of the Agreement, and which the Client must maintain throughout the period of validity of the Agreement. The Bank and the Client shall settle with each other against the Vendor Deposit when the Agreement terminates or when the last financially open factoring transaction is closed.
- 2.1.32 **“Agreement”** means the agreement concluded between the Bank and the Client comprising the service agreements for the provision of specified Factoring services, the Business Regulations, the Lists of Conditions – which determines, with respect to a specific period, the material terms and conditions of the service based on the Framework Agreement.
- 2.1.33 **“Breach of Agreement”**:
- (a) an Event of Default; or
  - (b) an event which may become an Event of Default upon the expiry of a payment deferment, upon the sending of a notice, through a calculation performed on the basis of, or the establishment of a fact based on, the Agreement or any related agreement, or as a combined consequence of these.

- 2.1.34 **“Durable Data Carrier”** a device that can be used by the Client for the long-term storage of the data addressed to the Client for a period that is appropriate given the purpose of such data, for displaying the stored data in an unchanged format and with unchanged content; that is, the information provided by the Bank to the Client – in accordance with the Framework Agreement – in a printed form, on read-only CDs, by e-mail, and via fax.
- 2.1.35 **“Telecommunication Device”** is any device suitable, in the absence of the Parties – and for the purpose of concluding the Agreement or other contract, as well as of declarations that are to be made or information that is to be provided on the basis of the Agreement or in connection therewith – for the making of contractual declarations or for the communication of other information.
- 2.1.36 **“Grace Period”** means the period during which the Bank does not wish to exercise a right to which it is entitled under the Agreement, or during which it wishes to exercise such under differing terms, and records this fact in the Agreement, or has informed the Client of such in advance and in writing, specifying the first and the last day of the Grace Period and which includes the following two periods:
- (a) default interest grace period; and
  - (b) advance-recoup grace period.
- 2.1.37 **“New Civil Code”** Act IV of 2013 on the Civil Code
- 2.1.38 **“Client”**: the (i) resident or non-resident sole trader or agricultural primary producer (if he qualifies as such pursuant to the law of his own country), or the (ii) resident or non-resident legal entity or enterprise or organisation without legal personality, which is using Bank’s financial and/or supplementary financial service. A Client shall also be a person providing collateral, in favour of the Bank, in respect of the obligors of the Client using the financial and/or supplementary financial service.
- 2.1.39 **“Reference base”**: the calculation base with respect to all fees or costs determined as a percentage.
- 2.1.40 **“Buyer”** means the obligor of the factored receivables, the amounts originating from whom the Client assigns to the Bank on the basis of the Agreement.
- 2.1.41 **“Buyer gross receivables limit”** the maximum admissible gross amount of concurrently factored receivables in respect of any one Buyer.
- 2.1.42 **“Buyer factoring limit”** the upper limit of advances paid by the Factor in respect of any one Buyer.
- 2.1.43 **“Reference period”**: the period in respect of which a given fee or cost is charged to the Client.
- 2.1.44 **“RTGS”** means the real-time gross settlement system operated by the MNB.

## 2.2. Interpretive provisions

### 2.2.1 *Types of assignment*

- (a) **General assignment**: any of the Client assigns to the Bank any of its receivables from the Buyer.
- (b) **Specific assignment**: the Client assigns, from its various receivables specified in the Agreement and due from the Buyer, only one receivable, or a number of simultaneously specified receivables, to the Bank.

In the case of Agreements concluded prior to 15 March 2014, in addition, the following type of assignment may be applied:

- (c) **Undisclosed assignment**: if the Parties, at the time of the assignment, do not inform the Buyer about the assignment and the Buyer only acquires knowledge of the assignment in the event of the Bank’s enforcement of its claim.

- 2.2.2 **Financing interest**: If it is charged at the time of settlement of the factored receivable, its extent will be calculated by taking into account the Reference Interest Rate fixed on the day of transfer of the Settlement Amount by Bank to the Client.

If it is charged at the time of the advance payment made on the factored receivable, its extent will be calculated by taking into account the Reference Interest Rate fixed on the day of the transfer associated with the given transaction. If on the day of the transfer the Reference Interest Rate is not available, the Financing Interest will be calculated by taking into account the Reference Interest Rate fixed on the first banking day preceding the given transfer. In such cases, at the time of settlement of the transaction the Bank will adjust Financing Interest in line with the Reference Interest Rate valid

on the day of the transfer.

2.2.3 *Term*: The earliest date of claim purchase is the first day of the "Term" specified in the Agreement and preceding the payment deadline of the claim to be purchased. The last day of the Term is the payment deadline specified on the invoice that represents the purchased claim.

2.2.4 *Certification, Certified receivable*: all invoices or invoice summaries (and thus the receivables) are deemed to be certified if they have been signed by the Client's employees authorised for such (based on the law or an individual authorisation), and the Client attaches the certificate of the service performed by it or of the goods delivered by it. Certification shall, pursuant to the Agreement, include especially:

- (i) the certifying, by the Buyer, of the invoice or invoice summary through the Buyer's signing thereof; and
- (ii) the certifying, by the Buyer, of the document generally used in the relationship between the Client and the Buyer in respect of delivery and/or the service performed, which may take the form of a delivery note, a shipping document, performance certificate, order etc., from which the fact of performance may be clearly ascertained.

The Client, or the Client's employees designated in the above manner, certify, by signing the invoices or invoice summaries that are submitted for factoring, that the claim represented by the invoice is a valid claim against the given Buyer, and that the delivery and the receipt of goods took place in the amount and at the price indicated on the invoice.

2.2.5 *Micro-enterprise*: an enterprise defined in Section 3, Paragraph (3) of Act XXXIV of 2004 on Small and Medium-sized Enterprises and the Support provided to such Enterprises, as well as in Section 2, Paragraph 17 of Act LXXXV of 2009 on the Provision of Payment Services.

2.2.6 *Right of recourse*: A right of the Bank based on which the Bank is entitled to demand the receivable from the Client even if the payment by the Buyer of the assigned receivable does not take place in full by the last day of the term. At the Bank's request, the Client is obliged to pay the non-performed amount to the Bank or to another assignee designated by the Bank. The Bank is also entitled to exercise the right of recourse if bankruptcy or liquidation proceedings are initiated against the Buyer. This right shall be due to the Bank regardless of the term.

If the Bank's right of recourse is 0%, the Bank assumes, in the Client's stead, the risk arising from non-payment attributable to the insolvency of the Buyer.

### 3. Disclosure of the Business Regulations

The Business Regulations and the annexes thereto are public; they may be viewed by anyone in the premises open for Clients, and on the Bank's website at [www.cib.hu](http://www.cib.hu). The Bank is obliged to give one original copy of the agreement concluded in writing and pertaining to a financial and/or supplementary financial service to the Client, as a part of which it may also make available to the Client, by way of a Durable Data Carrier, the Business Regulations and the annexes thereto. At the Client's request, the Bank shall make available the Business Regulations free of charge.

### 4. Amendment of the Business Regulations

4.1 The Bank may unilaterally amend the terms and conditions of contracts concluded with Clients if the amendment is not unfavourable to the Client. The Bank is entitled to unilaterally amend the contracts concluded with the Client in accordance with the stipulations of point 4.5, even in a manner unfavourable to the Clients, with the proviso that the contracts may not be unilaterally amended by introducing new costs or fees.

4.2 In respect of amendments that do not represent a change that is unfavourable to the Clients, the Bank shall notify its Clients of such amendments no later than on the Working Day prior to the day that the amendment is due to go into effect, by displaying the amendment in the bank branches and on its website ([www.cib.hu](http://www.cib.hu)). Any amendment of the contract that affects interest or fees – if such amendment is unfavourable to the Client – shall be published by the Bank 15 days prior to the day that the amendment is due to go into effect, in a notice, or if an electronic commercial service is provided, also by electronic means, in a manner that ensures continuous and easy availability for the Clients.

4.3 It does not qualify as an amendment unfavourable for the Client if, in the case of interest linked to a Reference Interest Rate, the extent of the interest changes as a consequence of a change in the reference interest.

4.4 Any of the means of notification listed below shall be deemed a direct means of notification:

- 4.4.1 notice sent by post;

- 4.4.2 sending of an electronic message to the e-mail notification address provided by the Client;
  - 4.4.3 recorded phone conversation conducted with the Client;
  - 4.4.4 sending of a short text message to the notification phone number specified by the Client; and
  - 4.4.5 sending of a breakdown of payments, such as an account statement.
- 4.5 The Bank is entitled to unilaterally modify, in a manner unfavourable for the Client, the fee (the extent of the interest, fees and costs determined in the List of Conditions and payable by the Client) in respect of the Client's Agreement, in the event of the occurrence of the following conditions or circumstances:
- 4.5.1 increase in the Bank's financing/refinancing costs;
  - 4.5.2 an increase in the country risk reflecting Hungary's political and economic situation;
  - 4.5.3 an increase in the yield on the securities issued by CIB Bank Zrt.;
  - 4.5.4 an increase in the central bank base rate;
  - 4.5.5 an increase in capital- and money-market interest rates;
  - 4.5.6 an increase in interbank loan interest rates;
  - 4.5.7 an increase in the yields on government securities;
  - 4.5.8 an increase in the Bank's factoring and operational risk costs, with particular regard to a change in the risk factors;
  - 4.5.9 a decrease in the creditworthiness, or a deterioration in the debtor-rating category or solvency, of the Client of the Buyer;
  - 4.5.10 a decrease in the value of the collateral securing the performance of the outstanding liability;
  - 4.5.11 any legislative change, or central-bank or other provision, which represents an additional cost or a revenue decrease for the Bank;
  - 4.5.12 an unfavourable change in the mandatory reserve rules;
  - 4.5.13 an increase in the Bank's obligations related to the payment of public charges;
  - 4.5.14 a change in the Consumer Price Index published by the Central Statistics Office of Hungary;
  - 4.5.15 an increase in the Bank's operating costs for reasons outside the Bank's sphere of interest (including, without limitation, the rent and operation/maintenance costs of the Bank's sale outlets and office premises, an increase in the commissions paid to external parties in relation to the sale, provision or intermediation of specific products and services);
  - 4.5.16 an increase in the fee of any cost elements directly related to the provision of specific Services which is paid by the Bank to other service providers, introduction of new fee elements by the service providers, or any changes in the business regulations and the latest public notices of the service provider;
  - 4.5.17 an increase in the price of postal and telecommunication (telephone, internet, fax) services, any amendment as may occur in the business regulations and in the announcements of the postal or telecommunication service provider;
  - 4.5.18 the entry into effect or a change in any legal or administrative regulations, court decisions, provisions issued by the central bank, the supervisory authority or any other authority, or a change in the interpretation and application of such regulations, or the introduction of a new source of law resulting from EU legislation which is to be applied in Hungary with binding effect and is expected to be adopted by Hungarian law, or any changes in such sources of law;
  - 4.5.19 changes in the Bank's IT systems, internal processes, or procedural, operational and risk assumption regulations;
  - 4.5.20 an introduction of a new service provided to Clients, cancellation or suspension of an existing service,
  - 4.5.21 in the case of a service provided by, or with the intermediation of, a third party, a changing of the terms and conditions of the service by such third party;
  - 4.5.22 in the case of a service provided on a refinancing basis, a modification implemented by the refiner in the terms of the refinancing,
  - 4.5.23 in consequence of a transformation under corporate law affecting the Bank, including primarily,

though not exclusively, the harmonisation and/or elimination of differences between IT systems, records, procedural rules and processes, and

4.5.24 a change in the business policy objectives of the Bank.

In the event of any legal dispute, the Bank shall bear the burden of proving that the circumstances giving rise to the modification have occurred due to reasons beyond the Bank's business. If any of the above conditions give grounds for a reduction in interest, fees or costs, the Bank shall decrease such interest, fees or costs.

- 4.6 The Client shall be entitled to terminate the Agreement at any time up until the unilateral amendment of the Business Regulations unfavourable to him enters into effect. In such cases the Bank shall not be entitled to charge any fee in relation to the termination with respect to the future period for which, as a result of the termination, it no longer provides the Factoring service. If the Client does not terminate the Agreement before the amendment goes into effect, the amendment shall be deemed to have been accepted by the Client.
- 4.7 The amendment of the Business Regulations, from the moment it becomes effective, shall also apply to agreements that are already in effect.

## 5. Liaison between the Client and the Bank

### 5.1 Identification of the Client

In keeping with the provisions of the Act on the Prevention and Impeding of Money Laundering and Terrorism Financing, the Bank shall, in the cases specified below, be obliged to perform a client due diligence (verification and identification of personal identity based on certificates) in respect of the Client, the person acting on behalf of the Client, and/or the Client's authorised representative:

- 5.1.1 when a business relationship is established with the Client, i.e. at the time that a written agreement is concluded that relates to the Client, or to his authorised representative;
- 5.1.2 when fulfilling a transaction order of an amount equal to or exceeding three million six hundred thousand forints;
- 5.1.3 when several transaction orders that are either known to be interrelated or that are suspected of being interrelated are given, at the time that the transaction order is given that results in the exceeding of the three million six hundred thousand forint threshold;
- 5.1.4 in the event that data, facts or circumstances indicative of money laundering or terrorism financing arise, if due diligence as referred to in the subsections above has not yet taken place;
- 5.1.5 in all such cases in which there is doubt regarding the veracity or adequacy of the earlier recorded customer identification data.

### 5.2 Declarations made during the identity verification process and during identification

- 5.2.1 In the course of the identity-verification process, the Client must issue a written declaration to the Bank as to whether he is doing so on behalf or in the interest of himself or of the beneficial owner (hereinafter: **beneficial owner**).
- 5.2.2 If during the contractual relationship doubt arises as to the identity of the Beneficial Owner, the Bank shall request the Client to make a repeat declaration.
- 5.2.3 Clients residing abroad shall make a written declaration to the service provider as to whether, under the laws of their country, they qualify as a politically exposed person, and if according to the declaration they do qualify as such, then based on which point of the law this is so.
- 5.2.4 In the absence of such a declaration, the Bank shall refuse to conclude the contract and to execute the transaction order.

### 5.3 Documents serving to verify personal identity

**In the course of the identity-verification process, the Client shall present to the Bank the documents listed below:**

- 5.3.1 In the case of natural persons
- (a) a Hungarian natural person shall show his/her official document suitable for the purposes of personal identification and his/her official certificate giving proof of address; and
- (b) a foreign natural person shall present his or her passport or personal identity card, provided that it authorises such person for residing in Hungary, or else a residence permit or a permit containing authorisation for residence.
- 5.3.2 In the case of a legal person or other organisation without legal personality – in addition to



presenting the legal documents listed under point a) of the person(s) who is (are) authorised to proceed in its name or on the basis of his authorisation – a document not older than 30 days proving that:

- (a) the resident business has been registered by the company court, or that the company has filed a request for registration with the company court;
- (b) in the case of other domestic legal persons, provided that an official or court registration is needed for its foundation, that the registration has occurred;
- (c) in the case of a foreign legal person or organisation without legal personality, that the organisation has been registered or entered into the registry pursuant to the law of the country of origin; and
- (d) in the case of a sole trader the sole trader's certificate, or, in the absence of such, an official certificate confirming that the sole trader has been registered.

5.3.3 Before filing the request for company registration, official registration or judicial registration to the company court, the official authority or the court, the legal person or other organisation without legal personality shall present its deed of foundation (memorandum of foundation, articles of association, or company statute). In this case within 30 days following registration the legal person or other organisation without legal personality shall be obliged to provide to the Bank a document proving registration in the trade register or by an authority or court, and the Bank shall record the company's trade or other registration number. If any doubt remains, the Bank may request the Client to present other documents as well.

#### 5.4 Recording of identification data

**In the course of the identification procedure, the Bank shall record the following data:**

- a) with respect to a natural person
  - 1. family name and first name (name at birth);
  - 2. address;
  - 3. place and date of birth;
  - 4. nationality;
  - 5. mother's maiden name;
  - 6. type and number of identification document; and
  - 7. in the case of a foreign national, those of the data items specified under points 1-6 that may be determined based on the identification document, as well as the person's address in Hungary.
- b) with respect to a legal person or an organisation without legal personality:
  - 1. name, abbreviated name;
  - 2. address of the office and of any other registered premises;
  - 3. main activity;
  - 4. in the case of a legal entity registered in the company register, the company registration number, in the case of other legal entities, the number of the resolution on establishment (registration) or the registration number;
  - 5. names and job titles of the authorised representatives;
  - 6. data suitable for identifying the person authorised to receive consignments.

#### 5.5 Obligation to report changes in data

5.5.1 The Client shall notify the Bank in writing with respect to any subsequent change concerning the person of the beneficial owner, that occurs during the period of the contractual relationship, and shall do so within 5 (five) days from the date on which the change becomes known. The Client, as well as all such persons whose data provided in the course of identification have been recorded in any agreement entered into between the Bank and the Client, shall be obliged and entitled, during the existence of the contractual relationship, to notify the Bank of any change that has occurred in the data pertaining to him, within 5 (five) working days from learning of such change. Changes that have occurred in the data provided in the course of the identification, as well as, beyond this, changes that have occurred in the data pertaining to the Client or to any such person whose sample signature, workplace-related data, phone number, mobile phone number, e-mail address, fax number or tax

number has been recorded in any agreement entered into between the Bank and the Client, shall be reported by the Client to the Bank on the form provided by Bank. Such reported change shall, in respect of the data affected by the change, amend all agreements – concluded between the Client and the Bank – containing data affected by such data change. When reporting a data change, the Bank may require the reporting person to present, for the purpose of certifying the data change, any original copy of a public document with the content and in the form acceptable by the Bank including in particular any public documents or official certificates in addition to the document presented by the Client.

- 5.5.2 If, for the purpose of the identity-verification process or as evidence of a right of representation or any other fact, the Client provides the Bank with a document written in a foreign language, the Bank may request a Hungarian translation of such document, either in an authenticated form or translated by a professional translator.
- 5.5.3 In the case of documents issued by a foreign authority, the Factor may request the Client to submit a copy of such document authenticated by the Hungarian foreign representation authority competent in the location where the document was prepared, or, in the case of a public document used abroad, a copy authenticated by the competent diplomatic corps/consulate (counter-authentication), or a copy accompanied by an "Apostil" stipulated by decree 11 of 1973 on the announcement of the treaty issued on 5 October 1961 in the Hague.
- 5.5.4 The Bank shall keep on record and safeguard the data and documents obtained during the fulfilment of its obligation related to Client due diligence throughout the term of the contractual relationship, and for a period of 8 (eight) years after the termination thereof.
- 5.5.5 Based on a separate consent of the person acting on behalf of the Client, the Bank shall be entitled to verify the data provided by the Client and, in order to prevent the unauthorised use of any document or documents suitable for personal identification, to also check, based on the data supplied by the Central Office of Administrative and Electronic Public Services, the personal data provided in the Application Form, the documents presented, the photo and signature of the person acting on behalf of the Client, the reason for and date of any deletion from the register, and to request, based on the personal identification data, valid data from the register in the course of the given banking transaction and of any measures taken with respect to the collection of any claim originating from such transaction. If the Client has enforced his/her right to prohibit the release of his/her data pursuant to Section 2 para. (1) of Act LXVI of 1992 on the Registration of the Personal Data and Address of Citizens, by this declaration he/she grants special permission to also release data that is subject to such prohibition.
- 5.5.6 The Bank – in the interest of compliance with the statutory provisions – may request additional data in relation to the execution of transaction orders, including especially, but not limited to, a request for data relating to the Client and to persons and organisations belonging to the Client's sphere of interest, a request for information in connection with the actual activity of the Client and of the persons and organisations in the Client's sphere of interest, and requesting that the underlying documents be presented. The Bank shall refuse to execute the transaction orders, or shall execute the Client's order in accordance with modified procedures (especially, but not limited to, late performance, or a price/rate appropriate for late performance), if the Client fails to provide data in connection with the request for information, or – in the Bank's opinion – it cannot be established, from the data provided, that the transaction order is in harmony with the data and information of the Client that is available to the Bank on the basis of the law. The Bank shall notify the Client forthwith in writing of any refusal to execute his/her orders under this section.
- 5.5.7 The Bank shall be entitled, based on the signature specimen available to it (e.g. certified sample signature, signature made in a personal identification document, etc.), to examine the authenticity of the signatures on the documents submitted to it, but shall not be liable for any consequences arising from fake or forged signatures that could not have been recognised as such despite the application of a level of care as may be expected of it.
- 5.5.8 The Bank accepts no liability with respect to the authenticity of the documents examined by it, or of the signatures on them; its examination shall extend to whether the documents, in terms of their outward appearance, are consistent with the requirements applicable to official documents under the law, and to whether the signatures, based on general practice and in terms of their outward appearance, match the signatures on other documents submitted to the Bank.

## 5.6 Obligation to cooperate

- 5.6.1 The Bank and the Client shall cooperate in the course of their business relations and act with due consideration for each other's interests, and they shall settle accounts with each other in the event of a termination of the related Agreement.

- 5.6.2 The Bank is not be obliged to enter into an agreement for the provision of financial services, and it shall not be obliged to give reasons in the event that such contractual relationship is not established, and shall reject any liability in this respect.

## 5.7 Provision of information

- 5.7.1 The Client is obliged to notify the Bank truthfully and without delay of any circumstances, facts or data, or of any changes in them, that are significant in terms of his existing relations with the Bank.
- 5.7.2 The obligation to provide information – over and beyond the stipulations in section 5.5 – shall apply especially to any change in the Client's person, legal status, address, amount of registered capital and reported representative.
- 5.7.3 While the Client has any outstanding debt towards the Bank, it shall be obliged to notify the Bank in advance, or immediately after the information has come to the Client's attention:
- (a) of its decision to perform restructuring, secession, demerger, merger or fusion;
  - (b) if it initiates bankruptcy, liquidation or winding-up proceedings against itself, or if the statutory conditions for such exist;
  - (c) if in any way it comes to the Client's knowledge that a third party has initiated liquidation proceedings against it;
  - (d) if it decides to establish a company or invest a part of its assets into a company, or if it intends to assign its share in a company to a third party, if the extent of the change since the last notification to the Factor would exceed, either on a per case basis or in its entirety, 10% of the Client's registered capital;
  - (e) if a change occurs in its ownership structure since the last notification given to the Bank which exceeds, either on a per case basis or in its entirety, 10% of its registered capital;
  - (f) of any material change in its management, business activities, assets or financial position;
  - (g) of every material change in its senior officers and management personnel; and
  - (h) of every circumstance that could endanger the fulfilment of its obligations towards the Bank.
- 5.7.4 The Client shall provide the Bank with access to its books and documents at any time, under an obligation of confidentiality on the part of the Bank, if the Bank deems it necessary to have such access in order to assess the security of an existing or a prospective bank receivable.
- 5.7.5 Failure to fulfil the obligation to provide information shall qualify as a material breach of contract, and the Client shall be liable for any loss or damage arising from such breach.

## 5.8 Notification

- 5.8.1 General provisions pertaining to the conclusion of the Agreement and to liaison between the Parties
- (a) The Bank and the Client shall send to each other representations, notifications, documents, orders and messages (hereinafter: notice) and the Agreements – in the absence of an agreement or a provision to the contrary – in writing:
    - (i) with an original (corporate) signature;
    - (ii) (based on an agreement to this effect) with an enhanced-security or a qualified electronic signature;
    - (iii) (in the case of an Agreement or a Contractual Declaration), at the Bank's request, in a notarised document; or
    - (iv) in any other manner defined in the Business Regulations, which, under the Business Regulations, expressly or otherwise, qualifies as written (including any declarations made in accordance with the provisions of the Agreement); and they shall provide/conclude/send it in the manner defined in the Agreement, except for a termination or a rescission, which must be delivered either in person, signed and delivered at the Bank's premises open for customers, or by post, with acknowledgement of receipt requested.
  - (b) Written contract conclusion shall include especially, though not only, cases where a limit modification effected under the Agreement, or if a contractual declaration requested via a Telecommunication Device by the Bank or the Client under the Agreement and delivered to the other party is subsequently confirmed by the other party in printed format.

- (c) The provisions of a contract concluded via a Telecommunication Device shall be recorded by the Bank's register in a manner ensuring that they can be later accessed by the Client. The language of contract conclusion via the Telecommunication Device shall be the language agreed as the language of liaison between the Client and the Bank.

#### 5.8.2 Notification by the Client

The Client shall send any notices to the Bank by post or in other manner defined in the Agreement. The notifications sent to the Bank shall be considered delivered/communicated when they have, based on the Bank's records, been received by the Bank (organisational unit). The actual arrival/acceptance as well as the time of receipt (year, month, day, hour, minute) of a notification shall be evidenced by the data printed on the document by the receipt-registration system of the Bank. In respect of notifications authorised under the Agreement and submitted electronically, the time of receipt shall be the time detected and recorded by the Bank's computer system as the time of arrival.

- 5.8.3 The Bank and the Client shall, during their contractual relationship, cooperate appropriately, and in the course of their cooperation they shall immediately notify each other about any facts that are significant from the point of view of the Factoring Transaction and about any changes in such facts, including in particular any changes in their name, address, e-mail address phone number, fax number, representative, owner, and financial/economic position, as well as any other changes affecting their person or their legal status. Liability for damages arising from failure to meet the above obligations shall be borne by the defaulting party. The Bank reserves the right to send notices to the Client in writing by post, fax or telephone.

- 5.8.4 The Bank shall send notices, declarations, offers, documents (hereinafter collectively: "documents") to the Client at the address supplied to the Bank by the Client (notification address). The Client has the right to only provide a single Notification Address. If the Client has several notification addresses, the Bank shall be entitled to send a written notice to the Client asking to which notification address the Client – based on his own choice – would like documents to be sent following this notice. In the case of such notice, if the Client does not give an instruction, within the deadline specified in the notice, in respect of the desired notification address, the Bank shall be entitled – without the Client's express consent – to send the documents to the notice address provided most recently to the Bank by the Client. The Bank shall not be liable for any delay in, or failure of, delivery due to the incorrectness of, or change in, the name or address supplied to it, or to reasons outside Bank's control.

- 5.8.5 The Bank may at any time, without notifying the Client separately, send any notices addressed to the Client's permanent address as certified by a public document, or to the Client's registered seat – regardless of the notification address provided by the Client or the Client's instructions regarding notices – provided that the purpose of such notification is to protect the Client from damage, or to request the Client to remedy a breach of contract, or to draw the Client's attention to a substantive change in the process applied in the course of business.

- 5.8.6 The Bank is not obliged to send documents to the Client by registered mail or with acknowledgement of receipt requested. A consignment shall be deemed to have been sent if the signed sender's mailing list, dispatch receipt, or register kept by the Bank for this purpose certifies that the document has been mailed.

- 5.8.7 The rule set forth in the previous point does not apply to banknotes, securities and other documents representing value, or to other consignments that, due to their nature, must be handled with special care. In such cases the Bank shall send the item in a manner chosen with due care and consideration. The forwarding of the item shall be at the Client's own cost and risk.

#### 5.8.8 Presumption of delivery

- (a) The Bank shall be entitled to consider – until proven otherwise – that a notification has been received by the Client, i.e. that the notification has taken place and its content has been communicated, after the 3rd working day following mailing if the address is in Hungary, after the 10th working day following mailing in the case of an address in Europe, and on the 20th working day in the case of an address outside Europe, regardless of the form in which the postal consignment has been posted (simple, registered, priority consignment). The same rule shall apply even if the addressee has not accepted the notification, or has refused to take over the notification, or the addressee has moved to an unknown place, or the consignment was not claimed or was returned marked 'addressee unknown', or the consignment is claimed by several persons and for this reason it is returned marked 'addressee unidentifiable'.
- (b) If the Bank sends to the Client's Notification Address a notice posted in a regular manner, with acknowledgement of receipt requested, this shall be deemed communicated and delivered to

the recipient even if the consignment could not actually be delivered, or if the recipient has not learnt about it; and indeed (i) from the day of the first attempt at postal delivery of the consignment; (ii) if this cannot be determined, then on fifth Working Day from the day of the second attempt at postal delivery; (iii) if this cannot be determined either, or if the second attempt at delivery did not take place, then on the day when the post office returned the undelivered consignment to the Bank.

- (c) Notwithstanding the presumptions, if during two consecutive months the Factoring Statements are returned due to the above reasons or otherwise marked by the post office as “undeliverable”, the Bank shall be entitled to suspend the sending of Factoring Statements to the Client’s Notification Address on record in Bank’s systems (unless the Client instructs otherwise). In the case of factoring statements returned by post, the Bank shall always ensure availability and access, for the period stipulated by the law. This, however, shall not prejudice either the presumption, or any other rights of the Bank (e.g. to send the notice to the registered office instead of the Notification Address).
- 5.8.9 If the Agreement provides an option for this, the Bank shall also be entitled to send notices (including in particular any payment demands or cancellations) to the Client by fax and/or e-mail. Notices sent by fax shall be deemed to have been delivered upon receipt of the confirmation of the fax activity report. Notices sent by e-mail shall be considered delivered on the day of sending of the electronic mail, or, if the day of sending is not a Working Day, then on the Working Day following the day of sending, unless an error message related to delivery was returned at the time that the e-mail was sent.
- 5.8.10 The Bank may also send notices by courier. In the case of delivery by courier, the notices shall be deemed delivered when addressee has signed the confirmation of receipt.
- 5.8.11 If the notification takes place via several means of communication, the legal effects shall be bound to the notification that took place earlier.
- 5.8.12 If the Client has given a “no notification requested” instruction in respect of notices, the documents shall be considered delivered on the day after they are prepared and dated. Notwithstanding the “no notification requested” instruction given by the Client, the Bank shall be entitled to send notices to the Client if the notice is necessary in order to protect the Client from harm or calls upon the Client to remedy a breach of contract, or to draw the Client’s attention to a substantive change in the process applied in the course of business, or if the delivery of the notice is the Bank’s obligation under law.
- 5.8.13 Notices placed in one of Bank’s mailboxes, opened to allow the Client to directly pick up notices sent by the Bank, shall be considered delivered on the Working Day after the document is placed in the mailbox.
- 5.8.14 The Bank may also notify its Clients by posting an announcement on its premises used for serving Clients if the contents of the notice concern a wide range of Clients.
- 5.8.15 The Bank notifies its Clients of changes in its Business Regulations and List of Conditions by posting a notice on Factor’s premises.
- 5.8.16 The List of Conditions shall be considered to have been delivered on the Working Day following the Working Day on which the notice was posted during business hours.
- 5.8.17 The Client shall send mail to the Bank to the address of the organisational unit designated by the Bank for this purpose.
- 5.8.18 With respect to the date and time of arrival of consignments sent to the Bank, the Bank’s records shall apply.
- 5.8.19 If the Client so requests in writing, the Bank shall, at the Client’s responsibility, retain and hand over the correspondence on site. The Bank shall keep the retained account statements at the Bank for three months, after which, if the Client appears, the Bank may charge an factoring-statement replacement fee.
- 5.8.20 The information provided by the Bank may only be used for the Client’s own purposes. The Bank does not consent to any kind of duplication or unauthorised transfer of the information provided by it.
- 5.8.21 At the Bank’s request, the Client shall be obliged, at his own expense, to notarise any contract, or any declaration given to the Bank in relation to the transaction concluded with the Bank, and the Client shall also be obliged to pay the cost of registration of the fact of the factoring in the loan securities register.
- 5.8.22 Without prejudice to the above provisions, the Bank – unless otherwise provided by the notice, by a legal statute or by the Agreement – is entitled to regard the Client as having acknowledged and

accepted the contents of the notification if no comment or objection is received in response to it within 15 days of delivery.

## 5.9 Place of performance

Unless there is an agreement to the contrary, the place of performance of payment obligations shall be Bank's organisational unit managing the Client's bank account in respect of the particular transaction, and in other cases, the unit of the Bank responsible for administration.

## 5.10 Form and language of communication

- 5.10.1 Both the Bank and the Client shall set forth all notices, orders and messages addressed to each other in writing – unless otherwise agreed –, and shall in all cases do so in respect of contracts.
- 5.10.2 The Bank is entitled to accept notices, orders and messages by telephone, fax, telex or e-mail depending on its relationship with the Client and the specific matter at hand. Provided there is no undertaking of commitments involved, communication between the Client and the Bank may also take place by e-mail; the Bank shall be entitled to accept notices of such type. The Bank has justified reason to assume that the messages arriving from the e-mail address provided by the Client as well as those appearing to be sent by it originate from the Client in every aspect. Except for any damage resulting from any willful or gross negligence on the part of the Bank, the Bank shall not be liable if it transpires that the instruction did not come from the Client, or if it is inaccurate in respect of any of its parts. The Client shall be obliged to indemnify the Bank (provide compensation for damages) for any claims arising from the fact that the Bank proceeded in accordance with the Client's instructions; If the e-mail address of the Client subsequently changes or is cancelled, or no longer wishes to use it, he/she shall, without delay, notify the Bank, and any damage and risk originating from a failure to do so shall be borne by that Party. The Client shall bear sole liability for all risks arising from any abuses committed in relation to notices communicated by electronic mail, and for all damages resulting from any consequential losses, including in particular the connection of a third party to the electronic line with a fraudulent intent, the forging of any signatures or documents, the disclosure of any data qualifying as bank secret to unauthorised persons, the use of such data by unauthorised persons, the failure to report, or delay in reporting, any technical errors in data transfer or any data changes, and the Bank excludes all liability in this respect. Notices sent by e-mail shall be considered delivered on the day of sending the electronic mail.
- 5.10.3 The Bank shall not be liable for any loss or damage arising from an error, misunderstanding or mistake occurring during the transfer of data or information by telephone, fax, telex, internet or computer. The Bank shall not accept responsibility for damage sustained due to abuses perpetrated using these channels, and the Client shall be solely responsible for such damages.
- 5.10.4 During contract conclusion between the Bank and the Client and during the term of the Agreement, the language of communication shall be Hungarian, or – at the Client's explicit request – English.
- 5.10.5 The Client will find Bank's contact information on the <http://www.cib.hu> website.

## 6. Conversion in the event of late payment

- 6.1 (a) If the Client fails to fulfil a payment obligation under an individual contract stated in a **foreign currency** by the due date, and also fails to fulfil such obligation within 15 calendar days after the due date (including payment obligations that become due as a result of a termination by the Bank, as well as the items recorded as unauthorised credit), the Bank may, at any time after the deadline of 15 calendar days, convert the Client's unpaid due debts to Hungarian forint. Conversion shall take place at the cash-desk FX sell exchange rate quoted by CIB Bank Ltd at the time of the conversion.
- (b) If the Client fails to fulfil a payment obligation under an individual contract stated **in forint** by the due date, and also fails to fulfil such obligation within 15 calendar days after the due date (including payment obligations that become due as a result of a termination by the Bank, as well as the items recorded as unauthorised credit), the Bank may, at any time after the deadline of 15 calendar days, convert the Client's unpaid due debts to any foreign exchange currency named in the Client's Factoring Agreement. Conversion shall be executed at the cash-desk buy rate quoted by CIB Bank Ltd at the time of the conversion.
- 6.2 After the conversion, the Client shall pay, with respect to the converted debts, interest established as follows.

If in the individual contract the transaction interest is specified as the sum of the basic interest rate and the interest premium, then the basic interest rate expressed as LIBOR or EURIBOR will be replaced by the BUBOR quoted for periods corresponding to the terms of the individual contracts, and the CIB Prime Rate applicable to foreign currency shall be replaced by the CIB HUF Prime Rate, with the same interest premium applied. If the interest rate terms were defined in the individual contract with reference to the List of Conditions, the interest rate shall be the interest rate defined in the HUF List of Conditions applicable to the

same product. The Client shall pay to the Bank as default interest the transaction interest defined in the above paragraph, calculated in HUF, increased by the interest premium specified in the individual agreement or, in the absence of such, in the Bank's latest effective List of Conditions.

The Bank shall notify the Client about the conversion by a unilateral declaration specifying the HUF amount of the Debt resulting from the conversion and the new interest rate (if the interest rate was determined in the individual agreement as the sum of the basic interest rate and the interest premium, the Bank shall also specify the new basic interest rate).

## 7. REPRESENTATIVES, COLLABORATORS

- 7.1 In order to ensure the integrity of the relationship between the Client and the Bank, the Bank checks that the person acting on behalf of the Client is duly authorised in this regard. The Bank may request proof of representation rights at any time during the course of business negotiations or prior to, and during, the execution of Factoring Services.
- 7.2 If the contract is signed or a declaration is made on behalf of the Client by way of an authorisation (a power of attorney), the Bank may request that such authorisation be set forth in a notarised deed or in a document provided with an authentication of signature by a notary. It must be clearly apparent from the authorisation what precisely it covers and for how long it is valid. With respect to authorisations issued abroad, the provisions of points 5.5.2 and 5.5.3 shall be applied appropriately. If an authorisation does not comply with the above conditions, the Bank may refuse to sign the agreement and to provide the Factoring Service.
- 7.3 The Bank is entitled to consider valid any signatures of authorised representatives, registered by the Client on the form issued by the Bank for this purpose, until such time as it receives written notification – accompanied, where necessary, by the appropriate legal documents – of the termination or withdrawal of such rights.
- 7.4 The Client may consider as the Bank's representatives those persons who are introduced as such by the head of any organisational unit of the Factor that provides financing, or other Factoring Services to the Client. Employees working in the premises of the Bank that are open to customers may be considered the Bank's representatives with respect to the types of transactions customarily made in such areas, except where circumstances dictate otherwise.
- 7.5 If the Bank deems it necessary or in the Client's interest, or if such is usual in normal business practice, the Bank may engage the cooperation of third persons for the purpose of fulfilling the Client's Orders. The Bank shall not be responsible for the activity or failure of any third person used by it, if in the selection, in the provision of instructions and in the checking of such person the Factor proceeded with the degree of care that may be expected of it in the given situation. Unless otherwise provided for by the parties, the costs charged to the Bank by such third person shall be borne by the Client. With regard to the costs incurred in relation to the use of such third person, the Bank is only able to advise in respect of information that is in Bank's possession. The Bank shall not be responsible for the selection, cooperation or failure of the third person if the third person has been appointed in accordance with the Client's instructions or on the basis of a statutory provision.

## 8. Consideration

- 8.1 The Client pays interest, commissions, fees and costs (hereinafter collectively: **consideration**) in return for the services extended by the Bank.
- 8.2 Any costs in excess of the usual costs of the Services provided by the Bank to the Client – especially the costs of any state-authority proceedings, the costs of using an intermediary, and the fees and costs of legal and other experts, as well as postal charges and stamp duties – shall be borne by the Client.
- 8.3 The extent of the consideration is contained in the Lists of Conditions and the agreements concluded between the Bank and the Client.
- 8.4 The extent of the consideration stipulated in the individual contracts may only be modified in the manner specified in the contract or in the Business Regulations.
- 8.5 The Client must be notified of any changes to the consideration. Any changes to the consideration may only apply to the period following the notification.
- 8.6 The Bank calculates interest, and other duration-linked charges to the calendar day, using the following calculation formulae:

In the case of straight interest:

CAPITAL x INTEREST RATE x NUMBER OF CALENDER DAYS

100 x 360

In the case of discounted interest:

The Bank deducts the amount of interest specified in the agreement from the advanced or purchased claim entitled to the Client at the time of disbursement. The amount of interest is determined using one of the following formulae, depending on the terms of the contract:

Banker's discount:

$$\frac{T * r * m}{36,000}$$

where:

T = the nominal value of the discounted loan on the maturity date specified in the contract

r = the discount interest rate specified in the contract

m = the number of days from payment of the discounted amount until maturity

Mathematical discount:

$$\frac{T * n * p}{36,000 + n * p}$$

The above calculation must be carried out once for each interest-payment period of the agreed maturity.

Where:

T = at the time of the first calculation, the nominal value of the loan, which must be paid to the Bank on the day of maturity; at the time of all subsequent calculations, the amount for the previous interest-payment period, calculated using the above formula

n = the number of days in the interest-payment periods agreed in the contract

p = the annual rate of interest specified in the contract

## 8.7 Rounding

The Bank reserves the right to rounding when determining the amount of interest, fees, commissions or costs that are to be charged in relation to the Factoring services provided by it to the Client, in such a way that if the third decimal place of these amounts is 0-4, the Bank rounds down to two decimals, while if the third decimal place is 5-9, the Bank rounds up to two decimals.

## 8.8 In the case of late fulfilment of his payment obligations and in the absence of the provision by the to the contrary by the Individual Agreements, the Client is obliged to pay default interest in addition to the basic interest.

## 8.9 The extent of the default interest charged by the Bank is specified by an individual agreement of the Parties; if the individual agreement does not contain any provisions with regard to this, the extent of the default interest shall be the extent defined in respect of relations between business entities in the Civil Code or new Civil Code applicable to the Agreement.

## 8.10 Payment of the consideration shall be due every calendar quarter, or on a monthly basis, and/or at the times specified in the contract. The Bank reserves the right to charge the Client the consideration for the service at the same time as the service is provided, and if it does so, the Bank shall refuse to provide the service if there are insufficient funds available to pay the consideration.

The Bank shall, from time to time, inform the Client about the range of, and the consideration payable for, these services in the List of Conditions.

If any date of maturity or the starting date of an interest-payment period falls on a non-Working Day, then the maturity date or start of the given interest-payment period is the Working Day following that specified in the contract.

## 8.11 Payment of the consideration due from the Client shall take place by offsetting. If it is not possible to effect such offsetting, the Client shall be obliged to make the payment at the appropriate time by bank transfer.

## 8.12 With respect to the services provided to the Client, the Bank shall fulfil its invoicing obligation stipulated by the VAT Act by issuing an invoice or a collective invoice, at its own discretion. In lieu of an invoice or a collective invoice, the Bank may issue to the Client a certificate complying with Act C of 2000 on Accounting when providing Services in relation to which no invoicing is necessary, pursuant to the VAT Act.

**9. The Bank's responsibility**



- 9.1 During the course of its activities the Bank shall always proceed with due care and – to the extent possible under the given circumstances – in the Client's best interest.
- 9.2 The Bank shall not be held responsible for the consequences of executing fake or forged orders, the fake or forged nature of which could not have been detected during the course of the usual procedures.
- 9.3 The Bank does not assume liability for damages occurring for reasons that could not be prevented or controlled by the Bank.
- 9.4 If, in order to fulfil an order received from the Client, the Bank uses the services of a third person, and the liability of the third person is limited by a statutory provision, business regulation, international treaty, regulation, standard or contract regulating the terms of the collaboration, the Bank's liability shall also be limited accordingly.

## 10. Data protection and bank secrets

- 10.1 The Parties are obliged, in the course of their relationship and legal dealings with each other, to protect all data, information, solutions, formulas, applications, procedures and algorithms as come to their attention with regards to the other Party, as well as all documents that are made available to them, including any copies thereof, and all other information – regardless of whether these are classed as business, bank, or other secrets, or as personal data – (hereinafter together: **Information**), for an indefinite period of time. The Parties may use such Information only for the performance of their obligations related to their relationship and the legal dealings between them, and are obliged to take all measures as may be expected of them in order to prevent any unauthorised storing, use, or forwarding of such Information.
- 10.2 The parties are obliged to treat in confidence any non-public information regarding their relationship and each other which comes to their knowledge during the course of their business relationship.
- 10.3 In accordance with the relevant statutory regulations, the Bank shall hold as a bank secret any information that comes to its knowledge in the course of its relationship with the Client if it qualifies as a bank secret under the law, and beyond the cases and the limits indicated in the Client's written authorisation, it may disclose such information only to the persons authorised to receive such under the law, and only such information as is specified therein.
- 10.4 The Bank shall also safeguard bank secrets after the end of the business relationship.
- 10.5 Simultaneously with the acceptance of these Business Regulations the Client irrevocably authorises the Bank to the effect that, until the settlement of all of Bank claims arising from the business relationship between them, it may request information – that would otherwise qualify as bank secrets – regarding the Client's bank accounts kept at other financial institutions and about its debts recorded there, including data and facts affecting the Client's financial management.

## 11. Transfer of information on the Client

- 11.1 The Bank shall be entitled, without separate authorisation from the Client – and provided it does so in compliance with the regulations on bank secrets –, to provide third persons with bank information with the herein-specified content, unless this was expressly forbidden by the Client in writing prior to the transfer of such information.
- 11.2 Any bank information issued by the Bank in the above manner may only contain the publicly available information related to the Client.
- 11.3 Without the Client's separate written authorisation, no bank information that is provided may contain information that qualifies as a bank secret.
- 11.4 Based on an expressly one-off, written authorisation submitted by the Client in the appropriate form, specifying the recipient of the information and the type of information to be released, the Bank may also disclose more detailed information regarding the Client.
- 11.5 A refusal on the part of the Bank to disclose bank information is in no way to be construed as a negative assessment of the Client by the Bank, and accordingly the Client may not make any claims against the Bank in relation to such.
- 11.6 By releasing bank information the Bank shall not be deemed to be extending a guarantee or to have had undertaken any liability for or in respect of the Client.

## 12. Data processing, data forwarding

For the purposes of point 12, **Client**: the resident or non-resident sole trader (if he qualifies as such pursuant to the law of his own country), agricultural prime producers, or a resident or non-resident legal entity or company or organisation without legal personality.

- 12.1 The Client understands that the service coming under the effect of these Business Regulations is provided by the Bank exclusively in connection with entrepreneurial activity. Accordingly, the Client shall in all cases be classified as an enterprise, and thus the data available to Bank on the Client does not qualify as personal data.
- 12.2 The Client thus consents to Bank's transferring any data, information or documents available in relation to the Client, regardless of whether such data, information or documents are accessible to anyone, or whether under the relevant legal regulations they qualify as confidential, to the members of the CIB Bank Group (the latest list of CIB Bank Group members being contained in the latest effective version of these Business Regulations of Bank).
- 12.3 The Client simultaneously authorises the individual members of the CIB Bank Group to provide access or transfer to Bank any data, information or documents that are available to the CIB Bank Group in relation to them as a client of the individual members of the CIB Bank Group, or any data, information or documents that are available at any given time to the members of the CIB Bank Group, regardless of whether these are accessible to anyone or whether they are data, information or documents qualifying as secrets under any applicable statutory provision.
- 12.4 Client sets as a condition for the authorisations contained in this declaration that the Bank and each member of the CIB Bank Group treat as confidential all the data, information and documents obtained in relation to the Client, in accordance with their nature, and that they not disclose such data, information or documents to any third persons except the Bank, the members of the CIB Bank Group and those third persons who are lawfully authorised by the relevant statutory regulations to be familiar with such data, information and documents.
- 12.5 The members of the CIB Group shall ensure the integrity of the data thus received, with special regard to the prevention of unauthorised access to the data, its alteration, publication, deletion, corruption or destruction.
- 12.6 The Client may correct their data recorded by members of the CIB Group, or, at any time, request information regarding such data free of charge, and, following termination of their business relationship with the members of the CIB Group, request the deletion of its personal data from the Bank's records.
- 12.7 If the Client makes the data of a third party that is classified as personal data available to Bank, the Client shall be obliged to ensure the existence of the consent of the party concerned. Ensuring the lawfulness of the disclosure of such data, and informing the party concerned, is the responsibility of the person providing the data.
- 12.8 The Client is entitled to exclude the provisions of section 12 of these Business Regulations – with the exception of section 7 – in its agreement concluded with the Bank (provided that the related data handling is not prescribed by law).

### 13. Central Credit Information System (KHR)

- 13.1 For the purpose of section 13 the following capitalised terms shall have the meaning ascribed to them below:

**Cash Substitute Payment Instrument:** cheques, electronic money, and all such items or procedures enabling the Client to submit payment orders.

**CCIS** (Central Credit Information System) a closed-system database operated by the financial enterprise that manages the CCIS in accordance with Act CXXII of 2011 on the Central Credit Information System, the purpose of which database is to enable a more sound assessment of creditworthiness, and thereby the more widespread provision of credit, and to reduce lending risk in order to improve the security of financial service providers' operations.

**Financial Enterprise Managing the CCIS:** BISZ Központi Hitelinformációs Zártkörűen Működő Részvénytársaság, a Hungarian financial enterprise registered by the Metropolitan Court of Budapest as Company Court under company registration number Cg. 01-10-042513, with its registered office at: 1205 Budapest, Mártonffy utca 25-27.

**Reference data** means any data, including the Client's recorded personal identity data which the financial company operating the KHR may handle pursuant to the law.

#### **Reference Data Provider**

- a) a financial institution, payments institution, institution issuing electronic money, insurance company or public warehouse engaged in the provision of at least one of the following services:
- provision of credit and cash loans;
  - finance leasing,
  - the issuance of paper-based cash-substitute payment instruments (e.g. paper-based traveller's cheques, bills of exchange) or the provision of services related thereto that are not classified as payment services;

- the provision of sureties and bank guarantees, or the assumption of other bankers' obligations; and
  - receivables purchase activity.
- b) Diákhitel Központ Zrt. (Student Loan Centre);
  - c) credit enterprises and investment enterprises providing the investment credit<sup>1</sup>
  - d) investment enterprises, investment funds, investment fund managers, organisations acting as clearing houses, voluntary mutual insurance funds, private pension funds, financial institutions, central depositaries and insurance companies carrying on securities lending,<sup>2</sup> and
  - e) a lender providing cross-border services, with its registered office in another member state of the European Union, if it has joined the CCIS.

**Enterprise:** a business organisation, a branch office, a European joint stock company, a cooperative, a European cooperative, a European economic association, a housing association or a sole trader, not including the reference data provider.

- 13.2 Pursuant to Act CXXII of 2011 on the Central Credit Information System, if the Client is classified as an enterprise, then the Reference Data Provider is obliged to hand over the following Reference Data to the CCIS if the Client has concluded, with the reference data provider, a contract pertaining to the financial services listed in Section 3, (1) b-c, f-g and l of Act CXII of 2013 on Credit Institutions and Financial Enterprises (provision of credit and cash loans; finance leasing; issuance of such paper-based cash-substitute payment instruments – e.g. paper-based traveller's cheques, bills of exchange – or the provision of services related thereto, as are not classified as payment services; provision of sureties and bank guarantees, the assumption of other banker's obligations or receivables purchase activity), a contract pertaining to the provision of investment credit in accordance with Act CXXXVIII of 2007 on Investment Enterprises and Commodity Exchange Service Providers and on the Regulations Governing their Activities, or a contract pertaining to securities lending in accordance with Act CXX of 2001 on the Capital Market (hereinafter collectively, for the purposes of section 13: **Agreement Constituting the Object of Data Reporting**), within 2 working days following conclusion of the contract:

*Identification data:* a) company name, name b) registered office c) company registration number, sole trader's licence number d) tax number

*Data of the Agreement Constituting the Object of Data Reporting:* a) type and identifier (reference number) of the contract b) date of conclusion, expiry and termination of the contract c) method of termination of the contract d) amount and currency of the contract, and the amount and frequency of repayment (insofar as the data specified in this paragraph are applicable in respect of the contract concluded with the Client) and e) amount and currency of the repayment installment of the contractual amount.

- 13.3 Pursuant to Act CXXII of 2011 on the Central Credit Information System, the Bank hands over to the CCIS in writing the Reference Data of those Enterprises, as listed below, that have breached their payment obligation undertaken in the agreement constituting the object of the Data Provision in such manner that their overdue and unpaid debt has been outstanding for over thirty months, within 5 working days from the expiry of such term:

*Identification data:* a) company name, name b) registered office c) company registration number, sole trader's licence number d) tax number

*Data of the Agreement Constituting the Object of Data Reporting:* a) the type and identifier (reference number) of the contract; b) the date of conclusion, expiry, termination of the contract; c) the manner of contract termination; d) the contractual amount and currency and the manner and frequency of repayment; e) the time from which the Enterprise has been in breach of its payment obligation undertaken in the Agreement Constituting the Object of Data Reporting if the past-due and unpaid debt had been outstanding for more than 30 days; f) the amount of the outstanding past-due and unpaid debt at the time from which the Enterprise has been in breach of its payment obligation undertaken in the Agreement Constituting the Object of Data Reporting if the past-due and unpaid debt had been outstanding for more than 30 days; g) the due date and amount of the past-due and unpaid debt; h) the date and method of terminating the past-due and unpaid debt; i) reference made to the assignment of the outstanding receivables to another Reference Data Provider or to litigation; j) reference made to the fact and date of prepayment, the prepaid amount and the amount and currency of the remaining principal debt; k) the amount and currency of the principal debt outstanding; and l)

<sup>1</sup> investment credit: the credit defined in Section 4, (2) 7 of Act CXXXVIII of 2007 on Investment Enterprises and Commodity Exchange Service Providers and on the Regulations Governing their Activities

<sup>2</sup> securities lending: the activity defined in Section 5, (1) 44 of Act CXX of 2001 on Capital Markets

amount and currency of the repayment instalment of the contractual amount.

- 13.4 The Reference Data Provider, by the fifth working day following the given month, provides the financial enterprise managing the CCIS with the Reference Data pertaining to the amount and currency of the principal debt outstanding under the Contract Constituting the Object of Data Provision, and if the Client performs prepayment while the Contract Constituting the Object of Data Provision is in effect, then within 5 working days the Reference Data Provider shall provide Reference Data pertaining to the amount of the prepayment and the amount and currency of the remaining principal debt.
- 13.5 The financial enterprises managing the CCIS shall retain the data received in accordance with Section 13.2 for a period of five years after termination of the contractual relationship, after which it permanently and irrecoverably deletes such data.
- 13.6 The financial enterprise managing the CCIS shall delete the reference data permanently and without delay if the identity of the Reference Data Provider cannot be determined, or if it comes to the attention of the financial enterprise managing the CCIS that the Reference Data have been unlawfully sent to the CCIS.
- 13.7 The Bank's obligation to report Reference Data shall apply even in the event of a change in the already delivered Reference Data, if it is aware of such, and the Bank shall fulfil such obligation within 5 working days from its learning of such change.
- 13.8 Prior to concluding the contracts listed in Section 13.2, and for the same purpose as the handover of data to the CCIS, another Reference Data Provider may retrieve the Reference Data forwarded by the Reference Data Provider, for which purpose it is not necessary for the Enterprise to provide a declaration of consent.
- 13.9 The Client shall be entitled to request information from any Reference Data Provider regarding the kind of data included in the CCIS, and the identity of the Reference Data Provider that had transmitted them. The Client's own data recorded in the CCIS, and the information regarding who, when, and on what legal grounds has accessed such data, may be accessed by the registered person without limitation, with respect to which no costs reimbursement or other fee may be charged.
- 13.10 The Client may submit an objection against the handover of its Reference Data to the CCIS, and against its handling in the CCIS, and may request the correction or deletion of the Reference Data. The objection may be submitted in writing to the Reference Data Provider that hands over the disputed Reference Data to the CCIS, or to the financial enterprise managing the CCIS.
- 13.11 By way of a petition letter submitted or sent by registered mail to the district court with territorial jurisdiction over the Client's registered office, the Client may file a claim against the Reference Data Provider and the financial enterprise managing the CCIS for the unlawful handover and handling of its Reference Data, or for the purpose of having the data corrected or deleted. The Client also has the right to file a claim if the Reference Data Provider or the financial enterprise managing the CCIS has not fulfilled its obligation to provide information as specified in Act CXXII of 2011 on the Central Credit Information System. The Client may submit the petition letter within thirty days from receiving the notice, sent by the Reference Data Provider or the financial enterprise managing the CCIS, in response to the objection. If the Reference Data Provider or the financial enterprise managing the CCIS has not fulfilled its obligation to provide information, as defined in the CCIS Act of 2011, then the deadline for submitting the petition letter must be calculated from the time of expiry of the deadline stipulated with respect to the obligation to provide information.

#### **14. Extraordinary market situation**

- 14.1 If in any Individual Agreement the interest has been determined through the application of a basic interest rate, and due to disturbances arising on the money markets the factors materially influencing the costs of financing of the transaction, thus especially the benchmark money-market rates (central bank base rate, BUBOR, LIBOR, EURIBOR, credit/deposit interest rates covered by the National Bank of Hungary, interbank interest rates, etc.), international and domestic money-market FX interest rates, interbank credit interest rates, average yields on debt securities, or the Bank's refinancing opportunities, change in a material extent, as a result of which, on a specific interest-fixing day, the Bank can only acquire funds at a higher costs relative to the basic interest rate fixed in the given Individual Agreement, then the Bank shall be entitled to also enforce, over and above the basic interest rate and the interest margin, such additional costs of funds expressed in the form of an annual percentage in respect of a specific Interest Period.
- 14.2 The Bank shall determine the additional cost of funds in light of the premium on the 1-year credit default swap (CDS) quoted in euro and applicable to the debt of the Hungarian State denominated in a currency other than forint.
- 14.3 The Bank shall notify the Client about the size of the additional cost of funds with due regard to the period specified by the relevant legal regulations, prior to the related Interest Period. If notification of the Clients is not regulated by any separate legal regulations related to the additional cost of funds, then the Bank shall notify the Client about the extent of the additional cost of funds simultaneously with the determination of the

interest applicable to the then-current Interest Period. The extra costs added to the interest are due at the time of interest payment. In such case the Client shall be entitled – subject to observation of the deadlines set in the individual contract and/or in these Business Regulations – to effect prepayment of his full debt affected by the additional cost out of turn, on the next interest payment day, free of charge.

- 14.4 If, prior to the execution of a transaction involving risk on the Bank's part, the Bank notifies the Client of the fact that performance in the currency specified in the Individual Contract is not possible on the Bank's part because the given currency is not available, or because it is available only at a non-proportionate cost, the Bank shall be entitled to offer the Client financing in another currency (primarily Hungarian forint). If the Client decides to accept the offer, performance may take place after the appropriate documentation of the amendment. If the Client chooses not to accept the alternative performance, the Bank shall bear no liability for the fact that performance does not take place.
- 14.5 If the Individual Agreement has provided the Client with the option of choosing from, or converting between, various currencies, and any of these currencies become unavailable as per the foregoing, then the Client's options shall – during the period of unavailability – be restricted to the other currencies specified in the Individual Agreement, and the Bank shall not be obliged to offer to assume risk in any additional currencies.
- 14.6 If, due to disturbances on the money market, at or around midday on a specific interest fixing day the basic interest rate is unavailable, then the basic interest rate shall be the annual percentage rate which expresses the costs of financing of the current Debt from a funding source reasonably chosen by the Bank.
- 14.7 If when determining the interest base rate the Bank proceeds in accordance with the foregoing, the Bank shall notify the Client forthwith of the reason for the change in the interest base rate and of the extent of the interest base rate applied to the given Interest Period.
- 14.8 If the fixing of the basic interest rate is restored to normal, the parties shall apply again the basic interest rate specified in the individual contract, with the proviso that in this case the start day of the application thereof shall be the first day of the next interest period.

## 15. Complaint management

- 15.1 The Client (including its representative, who contacts the Bank without applying for a Factoring service or concluding an Agreement) may lodge a complaint:
- 15.1.1 verbally:
- (i) in person (at the premises of the Bank that are open to clients, on Banking Days between 8.00 and 16.00 hrs); or
  - (ii) by telephone (on telephone number (06 1) 423 1000 between 8.00 and 20.00 hrs); or
- 15.1.2 in writing:
- (i) by a notification delivered personally by its representative or other persons;
  - (iii) by mail (addressed to the headquarters of the Factor (1027 Budapest, Medve u. 4-14.);
  - (iv) by fax (by fax number (06 1) 489 6500); or
  - (v) by e-mail (to the [cib@cib.hu](mailto:cib@cib.hu) e-mail address); or
- 15.2 The legal representative acting on the Client's behalf shall also attach an original copy of the power of attorney provided by the Client.
- 15.3 Verbal complaints made in person or over the telephone shall be investigated by the Bank immediately, and, if possible, the Bank shall take immediate measures to remedy the complaint. If the Client disagrees with an immediate measure, or if such immediate measure is not possible, the Bank shall draw up minutes of the complaint. The Bank shall deliver a copy of the minutes drawn up of the complaint to the Client directly, if the complaint was communicated personally, or by post – simultaneously with the response letter – if the complaint was communicated by phone. In all other respects, the Bank shall then proceed in accordance with the rules contained in the Business Regulations, applicable to written complaints.
- 15.4 The Bank shall investigate any written complaints of the Client, and the Bank shall, within 30 days following the receipt of the written complaint, send a letter containing its standpoint and the measures it has taken to the address specified by the Client. The Bank shall not be obliged to respond to a repeated complaint submitted by the Client in respect of the same subject. The Bank shall be entitled to answer the Client's repeated complaint – provided that it is identical to the previous complaint and contains the same objections and reasons – by confirming its previous opinion (and by resending the earlier response).
- 15.5 Complaints received on the telephone of the number available for administering complaints, as well as the communication between the Client and Bank in relation thereto, shall be recorded on a voice-recording

device. The Bank shall retain the audio-recording for 1 year following the day of recording. During this period, the Bank shall, at the Client's request, provide an opportunity to play back the recorded conversations, and it shall make available, free of charge, to the Client the minutes drawn up of the audio-recording, or a copy of the audio-recording on a Durable Data Carrier. For the purposes of this section, a durable data carrier shall be any device that can be used by the Client for the long-term storage of the data addressed to the Client for a period that is appropriate given the purpose of such data, for displaying the stored data in an unchanged format and with unchanged content; that is, the information provided by the Bank to the Client in printed form, on read-only CDs, by e-mail and via the Factor's systems.

- 15.6 The Bank shall maintain records of the Client's complaints as well as the measures taken for the purpose of settling / solving such complaints. These records shall contain the following data: description of the complaint, designation of the event or fact constituting the object of the complaint, the time and manner of submission of the complaint, as well as the deadline and the manner of the response, a description of the measure taken for settling or solving the complaint, the reason for rejection, if applicable, the deadline for the implementation of the measure taken for settling or solving the complaint, the person responsible for implementation, and the time of the response to the complaint. The Bank shall retain the minutes containing the complaint or the letter of complaint, as well as the related response, for three years.
- 15.7 If the Client disagrees with the result of the Bank's complaint investigation, the Client may have recourse to other forums of legal remedy. The Client may also seek remedy for its complaint or claim for legal remedy by taking legal action, under civil law. (In the event of a legal dispute related to the conclusion, the validity, the legal consequences and the termination of the contract, as well as the breach of contract and the related legal consequences.)

## **16. Settlement of disputes, jurisdiction and applicable law**

### **16.1 Supervisory body:**

MNB, Magyar Nemzeti Bank Zrt. (National Bank of Hungary), 1054 Budapest, Szabadság tér 8-9.,

### **16.2 Legal disputes**

15.1.3 Where possible, the parties shall endeavour to settle any disputes arising between them amicably, through negotiation, possibly with the assistance of a mutually agreed expert or reconciliation forum. If the disputes cannot be settled amicably, then either party may take the matter to court.

15.1.4 Regarding the settlement of any disputes between the Client and the Bank, the provisions of Act III of 1952 on the civil procedure shall apply.

## **II. SECURITIES**

### **1. Provision of Security**

- 1.1 During the existence of the business relationship, the Client is obliged, upon Bank's request, to provide adequate collateral or to supplement existing collateral, to the value that the Bank judges sufficient to ensure the recovery of its claims, either with regard to an already existing receivable or to any receivables that may arise in the future.
- 1.2 Failure to meet any of the above obligations shall constitute a serious breach of contract.
- 1.3 In addition to the collaterals specified in point 7, the Bank may require several different types of collateral at the same time, each of which – in the absence of a contractual provision to the contrary – shall serve as collateral for the total of Bank's claims.
- 1.4 When stipulating the collateral the Bank is entitled to determine the value at which it will accept the various collaterals.
- 1.5 Until the collateral has been provided, or until the already provided collateral has been supplemented as requested by the Bank, the Bank is entitled to suspend any payment obligations it may have towards the Client.
- 1.6 If on the due date there is insufficient coverage on the Client's bank account designated in the individual agreement, the Bank shall – if authorised in this respect – be entitled to submit a collection order against another available bank account of the Client held in a different currency, for the amount payable by the Client.
- 1.7 If the Client has several debts to the Bank at any one time, and the Client's payment only partially covers these debts, the Bank – in the absence of an agreement stipulating otherwise – shall, as it sees fit, be entitled to use the received amounts to cover the receivables that have been overdue for a longer period of time, or those whose recovery is less certain.

- 1.8 The Bank is entitled to use all collateral assets, rights and claims to secure all of its receivables from the Client, regardless of whether such receivables arise from the extending of a Factoring Service or from another business relationship. This same rule shall also apply to those claims that have been transferred to the Bank by a third party.
- 1.9 The Security is a continuous collateral obligation supporting the payment and performance of the liabilities of the Client to the Bank, which (i) remain in place regardless of any partial or interim performance, and (ii) is independent of Bank's other Security, whether existing or as may be generated later.
- 1.10 If the Bank expresses a demand to the Client for any additional Securities, the Client shall, if any new assets pass into its ownership, or if it becomes the beneficiary of any new rights or claims, be obliged to promptly report such to the Bank, in order that the Parties may conclude further Security Agreements.

## **2. Handling of the securities**

- 2.1 The Client is obliged to provide for the maintenance and the preservation of the value of all assets, rights and claims that it provides to the Bank as collateral. The Client is also obliged to provide for the enforceability of the claims, and for their settlement in Bank's favour upon maturity.
- 2.2 The Bank has a right to transfer any rights and claims arising from the security, as well as any obligations. The Client shall take all steps that are necessary and are requested by the Bank in order to facilitate such transfer (including, but not limited to, the amendment of the Security Agreement, for example.)
- 2.3 The Client is entitled and obliged to ensure that the assets in its use and pledged to the Bank as Security are used, handled, operated and protected appropriately, in accordance with their purpose.
- 2.4 If the Client fails to satisfy his obligations mentioned above and thereby jeopardises the existence, value and enforceability of the security, the Bank – or a person designated by it – shall be entitled to demand the provision of additional security or the supplementation of the existing security, or may request that the object of the security be restored, and the Bank may proceed directly in place of the Client and may initiate the necessary official or judicial proceedings.
- 2.5 If the enforcement of any right or claim serving as collateral falls due during the period in which the collateral is pledged, the Bank is entitled to exercise the right or enforce the claim. The Bank is entitled to treat as collateral any money received through the exercising of such rights or enforcement of such claims; if this is not necessary, or transfer it to the bank account specified by the Client.
- 2.6 Any of the Client's assets, rights or claims that come into Bank's possession during the course of the Client's business relationship with the Bank shall serve as a pledge or a security deposit for the Bank's receivables from the Client, even without the conclusion of a separate security agreement.

## **3. Insurance**

- 3.1 The Client is obliged to take out insurance against all damage to assets provided as collateral, and to designate the Bank as pledgee in the insurance policy(ies) and contract(s) concluded with the insurance company. The right of the pledgee may be withdrawn or modified only with the Bank's prior written consent.
- 3.2 The Client – for as long as the assets serve as security for his debt vis-à-vis the Bank – may not modify or terminate the insurance contract without the Bank's consent (with the exception of raising the insurance amount). The Client warrants that he shall not take out an insurance policy loan against the insurance. The Client shall pay the insurance premiums and perform all such obligations as are a condition for the maintenance of the insurance under the insurance contract. In the interest of maintaining the insurance, the Bank is entitled, but not obliged, to fulfil such obligations in place of the Client. To ensure that this right may be exercised, the Client, upon the Bank's request, shall see to it that the insurance contract is amended in order to stipulate that the insurer may not terminate the insurance on the grounds of the breach of these obligations without notifying the Bank thereof and without leaving enough time for the Bank to perform these obligations in place of the Client. If the insurer refuses to cooperate both with the Bank and the Client in respect of the above-mentioned condition, this shall not be considered an Event of Default; however, the Bank shall be entitled to request additional Security.
- 3.3 Upon the Bank's request the Client shall be obliged to forthwith present or hand over the insurance policy and documentary proof of payment of the insurance premiums to the Bank. The insured Client authorises the Bank to hand over to the insurer – if this is deemed necessary by the Bank – an original copy of the Contract.
- 3.4 The insurance or indemnity amount serving to ensure replacement or supplementation in the event of the destruction or depreciation of an asset pledged as Security shall itself serve as Security. The Client may request that the amount be used for restoration, and the Bank shall not deny this request if the Client provides appropriate other Security, or circumstances otherwise indicate (based on a reasonable assessment) that the performance of the Client's obligations is not in jeopardy. If no outstanding debt exists and minor damage occurs (e.g. water damage), the above-mentioned rules shall not be applicable and the

amount received must be immediately spent on restoration.

#### **4. Enforcement of the securities**

- 4.1 If the Client does not settle any of its outstanding payment liabilities towards the Bank when due, the Bank – or a third party retained by it – shall, in the order and in the extent specified by it, be entitled to enforce any right of the Bank arising from a Security in a manner such that in the Bank's judgement most effectively serves the satisfaction of its claim.
- 4.2 If the Client fails, despite the written demand of the Bank, to fulfil any of its due payment obligations towards the Bank by the deadline indicated in the written demand, the Bank shall be entitled to terminate, with immediate effect, the legal relationship related to all the Client's outstanding debts, to declare all the debts arising from such agreements as having become due and to enforce its rights related to collaterals.

#### **5. Information provision, monitoring**

- 5.1 The Client is obliged to immediately inform the Bank of any changes to the value, saleability or enforceability of the Security, or of any change that threatens the enforceability of the Security.
- 5.2 The Bank or its representative is entitled to check at any time – (including on-site) – the existence, condition and value of the securities and the assets constituting the securities, and to verify whether the Client is meeting his obligations relating to the securities. In the course of the check, the Client shall cooperate with the Bank, grant access for the appraiser to the property that serves as Security, permit viewing in the case of movable assets, provide the necessary documents to the Bank or the appraiser, provide the necessary information for the check, and permit access to documents.

#### **6. The bearing of costs**

- 6.1 All the costs of provision, maintenance, inspection, handling and enforcing of collateral shall be borne by the Client.
- 6.2 Should a party providing security incur a payment obligation towards the Bank or another person in connection with the establishment and inspection of security in favour of the Bank (especially, but not limited to the land registry service fee, company court registration fee, the MOKK and loan security register registration and querying fees, the surety guarantee fee payable to Garantiqa-Hitelgarancia Zrt. or to the Rural Credit Guarantee Foundation, the fee for the property valuation or review), the Client is obliged to pay to such amount, certified as having been paid by the Bank, to the Bank within 3 (three) working days following the Bank's written notification. The Client shall pay the above costs and expenses in the same currency in which they were incurred on the part of the Bank.
- 6.3 The Bank is entitled at any time to check the existence, condition, value, or insurance of the securities and the assets constituting the object of the securities, as well as to verify whether such assets are being appropriately handled or operated by the Client and the Security Provider, and to ensure the safety thereof. The above verification may be performed by an employee of the Bank or an expert commissioned by the Bank. The documents necessary for verifying the value and enforceability of the securities (especially, but not exclusively: a property appraisal report, or a review thereof) shall be procured by the Bank, at the Client's request, once a year, or at reasonable times specified by the relevant legal regulations or the Bank, except if the Bank notifies the Client that the procurement of such documents is the task of the Client. In such case the Client shall procure the documents requested by the Bank and provide the Bank with them in the manner and by the deadline stipulated in the notice. The cost of procuring the documents shall be borne by the Client. The Client undertakes to cooperate in the preparation of the appraisal, allow the appraiser into the property serving as security, or in the case of moveable assets, enable an inspection of these, and make the necessary documents available to the Bank or the appraiser. The Bank shall be entitled to hand over to the appraiser the data, necessary for the performance of the appraisal, pertaining to the Client and to the assets involved in the appraisal.
- 6.4 The Client shall bear the costs of the execution and notarisation of the contracts to be concluded, as well as the fees, costs and stamp duty arising in relation to the registration and official recording needed for establishing and creating the collaterals, and in relation to the insurance. These fees, costs and stamp duty shall be paid by the Client directly, when due, to the third person charging such fees, costs and duties. If the above amounts are paid by the Bank, the Client shall be obliged to reimburse any amounts certifiably paid by the Bank, based on the Bank's written notice, within 3 (three) Working Days.
- 6.5 If in accordance with the foregoing the Client incurs a payment obligation towards the Bank, then the Bank may debit the due amount from any of the Client's bank accounts kept with it.

#### **7. The types of Security**



## 7.1 Surety

- 7.1.1 The Bank, as a personal guarantee of the Client's debts, may require one or more guarantors to stand surety for the Client. The surety must be an adult private individual with legal capacity, or a legal entity, or a business entity without legal personality, or (in the case of Agreements concluded prior to 15 March 2014, unless the Parties have agreed to apply the new Civil Code), an economic organisation as per Section 685 of the Civil Code, or (in the case of Agreements concluded on or after 15 March 2014, if the Parties have agreed to apply the new Civil Code), an enterprise as per Section 8:1 of the new Civil Code), who/which:
- (a) in knowledge of the Client's debts (including all incidental charges), declares, in writing, that he is able and willing to pay the debts (including all incidental charges) in place of the Client when due, regardless of whether the Bank has attempted to collect the debts from the Client (*absolute suretyship*);
  - (b) possesses; certified assets, income or revenue that is (are) acceptable to the Bank; and
  - (c) makes all the declarations (e.g. insurance of his/its assets admitted as collateral, permission for a prompt collection order, based on an authorisation letter, with respect to his/its bank account, etc.) the making of which is, in Factor's judgement, necessary for the event of the Bank's collection of its claim from him/it.
- 7.1.2 If the Client fails to fulfil his/her payment obligations towards the Bank when due, the Bank is entitled to enforce its claim from the surety without notifying the Client. On the basis of the notarised agreement of the guarantee of prompt cash payment, the Bank is entitled to initiate direct court proceedings with respect to the entire assets of the surety.
- 7.1.3 The surety shall pay to the Bank the costs of litigation and enforcement related to the enforcement of a claim against the Client, provided that the Bank asked him to perform in respect of an absolute suretyship undertaking before the enforcement of the claim against the Client.
- 7.1.4 The surety Client agrees to send to the Bank, upon the Bank's notice, an original copy of the documents and declarations requested by the Bank with respect to his income and asset position, within fifteen days of the serving of such notice.
- 7.1.5 The Bank is entitled to provide to the Surety all data that falls within the scope of bank secrets in respect of which the Bank, pursuant to the Civil Code or the new Civil Code (depending on whether the given surety agreement was signed prior to 15 March 2014 or after that), has an obligation to provide information to the Surety.

## 7.2 Pledge

### 7.2.1 General provisions

- (a) The Bank accepts, as pledged assets, fixed and moveable property in the ownership of the Client or a third party undertaking a pledge obligation as well as rights and claims due to the Client and the third party. The pledge agreement shall be concluded in the form determined by the Bank (at the Bank's discretion, in a Notarised Deed).
- (b) The pledgor Client (and the usufructuary Client, if any – with respect to matters that concern him) represents and warrants that:
  - (i) he is the owner of the pledge object, and the pledge object is unencumbered other than by the Security to be established in favour of the Bank, he has free disposal over it and no other person has a right or claim to it that would impinge upon the Bank's pledge;
  - (ii) he shall not alienate, encumber, offer as a contribution to a company, rent or take any other measure that would hinder the sale at full value of the pledged asset without the prior consent of the Bank, with the proviso that the Bank never agree to the alienation or offering as a contribution to a company of a pledge object that falls under the prohibition of alienation and encumbrance.
- (c) The Client agrees that the Bank, in addition to possessing the right to enforce the pledge by means of judicial foreclosure (including simplified enforcement), may sell the pledge object directly and/or through an organisation that offers mortgage loans or organises auctions, or may do so jointly together with the Security Provider Client, without judicial foreclosure.

### 7.2.2 Sale without judicial foreclosure

- (a) In the event of a sale of the pledge object without judicial foreclosure, the sale may take place – in the case of Agreements concluded prior to 15 March 2014 within 1 year from when the Bank's right of recovery becomes exercisable – at the lowest price specified in an appraisal

prepared by one of the firms engaged in property valuation that is accepted by the Bank, not more than 90 days before the right of recovery became exercisable, and that pertains to the property's liquidation ('escape') value, and in which appraisal, in the case of a residential property, the value of the property in an occupied state and in a vacated state has been indicated separately. The Bank is entitled to appoint the firm that will perform the appraisal.

- (b) At least 10 days prior to the sale, the Bank shall notify the pledgor that the Bank will be exercising its right to recovery and will be selling the pledged object. (prior notification). Within 8 days following receipt of this notice, the pledgor shall name those persons to the Bank who – besides the rights and facts entered in the property register – have additional pledge or other rights on the pledge object that might hinder the buyer's acquisition of the property or limit his/her right of ownership thereto. At least 15 days prior to the sale, the Bank shall send a written notice to the Pledgor with regard to the selected method, the place and the date of the sale, as well as the entity commissioned to carry out the sale.
- (c) In the case of perishable items, the date of the sale may be determined without regard to the above deadlines.

### 7.2.3 Judicial foreclosure

The pledge object may be sold, at the Bank's discretion, through judicial foreclosure. In the case of a judicial foreclosure, the designated court bailiff shall seize the pledged property; in the case of real estate he shall have the foreclosure right registered on the deed of the property, and shall sell the pledged property in accordance with the regulations stipulated in Act LIII of 1994 on Judicial Foreclosure.

### 7.2.4 Vacation of property

In the case of the enforcement of lien rights, including a joint sale, the lien obligor shall be obliged, within 20 (twenty) days – and in the case of residential property within 3 (three) months – from the Bank's notice, to remove all his personal property from the pledged property, move out from the property and/or ensure that any other persons with respect to whom the pledged property is an official domicile or place of residence to move out, and transfer the pledged property in a vacant state, available for occupancy (such that it may be transferred into the buyer's possession free from limitations), to the Bank or its duly authorised representative for the purposes of foreclosure or sale. Failure to transfer title to the pledged property in a vacant state after the expiry of the specified deadline shall not constitute an obstacle to the sale of property at its market value when in an occupied state. The Bank may choose to enforce the pledge or initiate the enforcement of the pledge in an occupied state.

### 7.2.5 Transfer of possession

After the right of satisfaction becomes exercisable, the pledgor shall, pursuant to the Bank's request, transfer the possession of the pledge object. The pledgor shall abstain from all conduct that would hinder the Bank in exercising its rights. The Bank, in respect of the pledge object that is transferred into its possession, until it is sold, shall have the same rights and obligations as the pledgee. This obligation of the lien obligor may be enforced through foreclosure and with the involvement of the relevant authority.

### 7.2.6 Settlement:

The Bank, after having deducted its receivables and the related income as well as its costs in connection with the sale, shall immediately credit the amount remaining from the proceeds received from the sale to the pledgor's precedingly assigned bank account, or shall disburse this amount directly to the pledgor. If the sale takes place outside of judicial enforcement, the Bank shall prepare a written settlement on the result of the sale, with the content specified in the new Civil Code, and shall send it to the pledgor and to any other pledgees who may have joined the transaction (hereinafter together: interested parties), who are required to file their complaints within 8 days to the Bank in writing, in response to which the Bank has a further 8 days to make its comments. If, despite the complaints, the Bank maintains its calculation in part or in whole, it shall notify the interested parties in writing that they may pursue their complaints and reservations via the courts, in a non-litigious proceeding. If the Interested Parties provide evidence of the commencement of such judicial proceedings within 15 days from the receipt of such notification, the Bank shall place the proceeds from the sale, or the contested part thereof, into a judicial escrow account.

### 7.2.7 Different rules applicable to a pledge established on a right or a claim

In the case of a pledge established on a right or on a claim, the above shall apply as appropriate. Any pledge established on a claim or on a right through a pledge agreement concluded on or after 15 March 2014 must be recorded in the loan securities register. In the case of a pledge on rights or claims, the pledgor is obliged and the Bank is entitled to notify the obliged party of the right or claim in writing of the establishment of the pledge. The pledgor shall not make any statements, without the Bank's consent, in respect of the pledge that terminate or have a negative effect on the Bank's basis for enforcement. The Bank, at its discretion, may enforce the pledge established on a right or on a claim either in accordance with the provisions set forth in

this paragraph or – applied subject to the paragraph above – the provisions of the Civil Code or (in the case of Agreements concluded on or after 15 March 2014, if the Parties have agreed to apply the new Civil Code), the new Civil Code.

#### 7.2.8 Handover of documents

The pledgor (or if it is a different person, the Client) shall hand over immediately the documents required for the enforcement of the pledge upon the Bank's request.

### 7.3 Deposit

7.3.1 If cash, bank account receivables, securities and/or some other financial asset specified in the law, owned by the Client or by a third person undertaking a commitment on his behalf and given to the Bank, serve(s) as a security deposit, the security deposit shall ensure the payment of the Client's debts towards the Bank, the default interest to be paid in the event of the late performance of this payment obligation, and the costs of a possible foreclosure or of the enforcement of the Bank's claim by any other means, and the Client or the third party providing the security deposit agrees that the Bank may seek satisfaction against the Client directly from the security deposit, except in the case of a securities security deposit established during the effect of the new Civil Code that does not have a publicly quoted market price.

7.3.2 In the event that securities are placed in a security deposit, if the Client fails to meet any of its payment obligations outstanding towards the Bank under any title, the Bank shall be entitled either to sell or keep the deposit and use its counter-value determined on the basis of the market price to reduce and/or pay the Client's debt, except for a securities collateral deposit, established during the effect of the new Civil Code, that does not have a publicly registered market price or that, at a specified date and time, does not have a value that can be determined independently of the parties under the conditions set out in the securities, in which cases this latter option may not be applied. If the securities that serve as a collateral deposit do not have a publicly registered market price or if, at a specified date and time, the securities collateral deposit does not have a value that can be determined independently of the parties under the conditions set out in the securities, the sale may take place, within 6 months after the Bank's right of satisfaction becomes exercisable, at the value, determined by an appraiser that is accepted by the Bank, within 60 days after the right of satisfaction became exercisable. The collateral deposit may be kept (transferred into the Bank's possession) as part of this same procedure, with the proviso that the 6-month period is not applicable. The Bank is entitled to appoint the firm that will perform the appraisal.

7.3.3 Dematerialized securities may be placed in a security deposit by depositing them on the securities account, managed by the Bank, of the person providing the collateral, and by blocking the securities while at the same time designating the Factor as the beneficiary.

7.3.4 The security deposit shall be terminated when the Client has fully repaid his debt, together with the related costs, due to the Bank under any entitlement. Upon the termination of the security deposit, the Bank shall return the contents of the deposit it to the Client in accordance with the instruction of the Client.

7.3.5 If the collateral deposit consists of domestic currency, foreign banknotes or foreign exchange placed as a Deposit, the maturity date of the Deposit shall correspond to the maturity date of Faktor's claims. The Client expressly waives his right to cancel the Deposit as a collateral deposit before its term expires and to lay claim on the amount thereof.

7.3.6 The Client shall warrant that the guarantee represents a genuine, existing and enforceable claim and meets all the requirements pertaining to it; and further, that the guarantee constitutes the Client's lawful property, over which the Client may dispose freely, to which no third party has a title or claim that could limit or preclude Faktor's capacity to obtain satisfaction from the collateral deposit.

### 7.4 Purchase right (call option)

In view of the provisions of the new Civil Code, the rules set out in this paragraph 7.4 shall apply to call option agreements concluded prior to 15 March 2014.

7.4.1 In addition to or in lieu of a pledge, Bank may require the Client or the party providing the collateral to conclude a contract, in the role of seller, with the Factor or a person designated by the Bank, with respect to the asset, in order to establish a purchase right (call option) that entitles the Factor to purchase the asset with a unilateral statement to this effect, at the purchase price determined in the contract. The Bank may choose to appoint a third party to exercise the purchase right.

7.4.2 The Bank or the third party designated to exercise the call option may exercise the call option by way of a unilateral declaration sent to the seller in a letter by registered post; payment of the purchase price shall take place in accordance with the terms and within the deadline set forth in the

Agreement establishing the call option, with offsetting against the Bank's claims, or those of the third party designated to exercise the call option, from the seller. The ownership of the asset shall be transferred to the Bank or to the third party appointed to exercise the purchase right on the basis of a unilateral statement made by the Bank or the third party appointed to exercise the purchase right, or, in the case of real property, by registering the ownership title in the property register.

- 7.4.3 The Client shall be obliged to transfer the asset to the possession of the buyer within 15 days from the making of the representation. In the case of failure to do so, the buyer will be entitled to resort to any lawful means in order to take possession of the asset.

## 7.5 Assignment

In view of the provisions of the new Civil Code, the rules set out in this paragraph 7.5 shall apply to assignment agreements concluded prior to 15 March 2014.

- 7.5.1 If the Bank's claim against the Client is secured by a claim that the Client has against a third person, the Bank may request the Client to hand over to the Bank all original documents that serve as the basis of, or that certify, the claim against the third party. Upon the Bank's request, the Client shall notify the third party (obligor) of the assignment, with the effect that from the moment of receipt of the notice the obligor may pay the debt only to the Bank.
- 7.5.2 Until the Client's debt matures, the Bank shall, at its own discretion, be entitled to use the amount received from the assignment for settling the debt or – provided that the Client assigns another of his receivables acceptable to the Bank – to pay it out to the Client. Any amounts received after the expiry of the Client's Debt shall in all cases be used by the Bank to retire any still outstanding debt.

## 7.6 Stipulation of forfeiture

The Bank may request the Client to make a written declaration to the effect that, in the case of a breach of contract, he will forfeit a right or benefit to which he would otherwise be entitled under the Agreement.

## 7.7 Bank guarantee

The Bank, as security for its claim against the Client, may request and accept an unconditional, irrevocable bank guarantee with an expiry date that matches the expiry date of the secured claim.

## 7.8 Guarantee

A commitment of the guarantor company/organisation based on a guarantee contract or a guarantee declaration, under which it is obliged to make payment to the Bank in the event that the conditions for such, stipulated in the contract / declaration, come about. The Bank, as security for its claim against the Client, may request and accept an unconditional, irrevocable guarantee with an expiry date that matches the expiry date of the secured claim.

### III. FACTORING TRANSACTIONS

#### 1. General rules

- 1.1 The Bank may undertake an obligation in the Agreement to the effect that it will purchase, pay an advance on, or discount, the Client's receivable – with or without an assumption of the Client's risk – under the terms defined in the factoring agreement, during the period specified therein.
- 1.2 The Agreement may be concluded or another long-term factoring relationship entered into if the Bank judges the Client's creditworthiness (which it examines in accordance with its rating systems) to be appropriate. The Bank shall itself determine the criteria of the test related to the Client's creditworthiness, and it may modify these from time to time if, in its judgement, the modification is reasonable and necessary.
- 1.3 For the assessment of creditworthiness the Bank shall primarily use the information acquired in the course of its business dealings with the Client, as well as the data and information provided by the Client at specified intervals, but the Bank shall also be entitled to request any additional data, information or documents that it deems necessary for the appraisal.
- 1.4 A precondition for the substantive appraisal of the application for the purchase of a particular receivable or for the paying of an advance thereon, as well as for the continued maintenance of an already existing Vendor Limit, is that the Client provide, within the specified time, the information, data and documents on his finances that are requested by the Bank, and that he do so in the format required by the Bank.
- 1.5 The Bank reserves the right to unilaterally modify the maximum amount of the Vendor Limit, in the event of a material change in the Client's circumstances, about which limit modification it shall promptly notify the Client.
- 1.6 If the Bank concludes an Agreement with the Client, the Bank shall transfer the part, specified in the

Agreement, of the amount of the invoices on which an advance is paid, in accordance with the terms set out in the Agreement, to the Client's current account stated in the Agreement.

- 1.7 In relation to the Factoring services, the Client shall pay the Bank interest, commission, costs or fees in an extent determined in the Agreement. If the parties did not separately set down the extent of the consideration at the time of contract conclusion, the considerations and the extents thereof as defined in the List of Conditions shall be payable by the Client. In respect of the interest due in the event of receivables purchase, or the payment of an advance, the first day of interest calculation is the Day of Disbursement, and the last day is the last day of the Term.

The fees, costs and commissions payable by the Client shall especially include the following:

#### 1.7.1 Financing

- (a) **Financing interest:** The interest charged by the Bank from the day of payment of the advance on the receivable until the day of expiry of the receivable. Its extent is determined by the Bank on the basis of the gross amount of the receivable, in percentage form, in the following way: Reference interest rate + interest margin. Its payment takes place in the manner and at the time(s) specified in the given Agreement.
- (b) **Factoring interest:** The interest charged by Bank from the day of expiry of the purchased receivable until the last day of the Grace Period. Its extent is determined by the Bank on the basis of the gross amount of the receivable, in percentage form, in the following way: Reference interest rate + interest margin. Its payment takes place in the manner and at the time(s) specified in the given Agreement.
- (c) **Default interest:** The interest charged by Bank from the day following the last day of the Grace Period related to the purchased receivable until the day of actual payment. Its extent is determined by the Bank on the basis of the gross amount of the receivable, in percentage form, in the following way: Reference interest rate + interest margin. Its payment takes place in the manner and at the time(s) specified in the given Agreement.

#### 1.7.2 Record-keeping

- (a) **Factoring fee:** Fee charged by the Bank for the record-keeping and monitoring of the receivables. Its extent is determined by the Bank as a percentage of the gross amount of the receivable, and its payment takes place in the manner and at the time(s) specified in the given Agreement.
- (b) **Handling charge:** Fee charged by the Bank for the physical handling and storage of the accepted invoices and the other documents related to them. Its extent is determined by the Bank as a percentage of the gross amount of the receivable, and its payment takes place in the manner and at the time(s) specified in the given Agreement.

#### 1.7.3 Collection / recovery

- (a) **Expired-invoice record-keeping fee:** Fee charged by the Bank for the actions taken in the interest of the collection of the receivables. Its extent is determined by the Bank a percentage of the gross amount of the expired invoices, and its payment takes place in the manner and at the time(s) specified in the given Agreement.
- (b) **Litigation charge:** Fee charged by the Bank to cover the costs that arise in relation to the enforcement of the claim, by legal means, against the obligor of the claim. Its extent is determined by the Bank as a concrete amount, which amount is contained in the latest effective List of Conditions. Its payment takes place in the manner and at the time(s) specified in the given Agreement.
- (c) **Success fee:** Fee charged by the Bank on the recovery achieved through an independent receivables management and/or debt collection firm. Its extent is determined by the Bank as a percentage of the gross amount of the receivable, which extent is contained in the latest effective List of Conditions. Its payment takes place in the manner and at the time(s) specified in the given Agreement.

#### 1.7.4 Risk assumption

- (a) **Risk assumption fee:** Fee paid by the Client to the Factor for the event that the latter assumes the risk of non-performance stemming from the Insolvency of the Buyer. Its extent is determined by the Bank as a percentage of the gross amount of the receivable, and its payment takes place in the manner and at the time(s) specified in the given Agreement.
- (b) **Insurance fee:** Fee charged by the Bank in the event that credit insurance is used. Its extent is determined by the Bank as a percentage of the gross amount of the receivable, and its

payment takes place in the manner and at the time(s) specified in the given Agreement.

#### 1.7.5 Operation

- (a) **Invoice management fee:** Fee charged by the Bank for the manual record-keeping of invoices. If the invoices are sent as electronic files, then this is not charged. Its extent is determined by the Bank as a concrete amount, which amount is contained in the latest effective List of Conditions. Its payment takes place in the manner and at the time(s) specified in the given Agreement.
- (b) **Bank charges:** The charges for the transfers performed for the Client to an account outside CIB Bank Ltd. Its extent is determined by the Bank as a percentage of the given transfer, which amount is contained in the latest effective List of Conditions. Its payment takes place in the manner and at the time(s) specified in the given Agreement.
- (c) **Handling charge for non-factored items:** A cost item charged on the handling of items passing through the Bank, but not factored. Its extent is determined by the Bank as a percentage of the amount of the given non-factored payment, which amount is contained in the latest effective List of Conditions. Its payment takes place in the manner and at the time(s) specified in the given Agreement.
- (d) **RTGS fee:** Fee for a payment transaction, requested by the Client and made to an account outside CIB Bank Ltd., that is executed on an intra-day basis via the real-time gross settlement (RTGS) system. Its extent is determined by the Bank as a concrete amount, which amount is contained in the latest effective List of Conditions. Its payment takes place in the manner and at the time(s) specified in the given Agreement.
- (e) **Notice charge:** The cost of sending payment notices to the Buyer in relation to expired receivables, or, in the event of recourse, to the Client. Its extent is determined by the Bank as a concrete amount, which amount is contained in the latest effective List of Conditions. Its payment takes place in the manner and at the time(s) specified in the given Agreement.
- (f) **Special information-provision fee:** The fee charged for any data requests by the Client over and above the standard data provision service defined in the Agreement. Its extent is determined by the Bank as a concrete amount, which amount is contained in the latest effective List of Conditions. Its payment takes place in the manner and at the time(s) specified in the given Agreement.
- (g) **Factor statement fee:** Fee charged by the Bank for issuing a replacement factoring statement. Its extent is determined by the Bank as a concrete amount, which amount is contained in the latest effective List of Conditions. Its payment takes place in the manner and at the time(s) specified in the given Agreement.
- (h) **Special procedure fee:** The fee for a procedure performed at the Vendor's request prior to the lead time undertaken in a factoring service level agreement, or that requires action other than the usual procedures. Its extent is determined by the Bank as a concrete amount, which amount is contained in the latest effective List of Conditions. Its payment takes place in the manner and at the time(s) specified in the given Agreement.

#### 1.7.6 Consulting:

- (a) **Contracting fee:** Fee charged by the Bank for the drawing up of an agreement concluded between it and the Client, for the examination of the creditworthiness of the Client or the buyer. Its extent is determined by the Bank as a concrete amount, which amount is contained in the latest effective List of Conditions. Its payment takes place in the manner and at the time(s) specified in the given Agreement.
- (b) **Agreement amendment fee:** A fee charged by the Bank in consideration for the costs that have arisen in relation to the amendment of any agreement concluded with the Client initiated by the Client, including administration, software-readying, data-entry and risk-analysis costs. Its extent is determined by the Bank as a concrete amount, which amount is contained in the latest effective List of Conditions. Its payment takes place in the manner and at the time(s) specified in the given Agreement.
- (c) **Prolongation fee:** In respect of the contract amendment related to the prolongation of the availability period and the final maturity date requested by the Client, the Client shall, on the day on which the amendment of the Individual Agreement takes effect, pay the Bank a prolongation fee determined as a percentage or as a concrete amount. In such cases the Bank shall not charge a Contract Amendment Fee.
- (d) **Creditworthiness examination fee:** A fee charged by the Bank in return for the examination

relating to the Client's and/or the Buyer's creditworthiness. If the applicable contract or contract amendment is signed by the Bank and the Client, a creditworthiness examination fee is not charged, as it is included in the given Agreement Conclusion or Agreement Amendment Fee. Its extent is determined by the Bank as a concrete amount, which amount is contained in the latest effective List of Conditions. Its payment takes place in the manner and at the time(s) specified in the given Agreement.

- (e) **Credit insurance limit appraisal fee:** Application and appraisal fee relating to the credit insurance limit in the event of the use of a credit insurer. Its extent is determined by the Bank as a concrete amount, which amount is contained in the latest effective List of Conditions. Its payment takes place in the manner and at the time(s) specified in the given Agreement.

1.7.7 Other:

- (a) **Factoring surcharge:** If at the end of a calendar year, or upon the termination of the Agreement, the realised factoring turnover is less than the pro-rata Stipulated Minimum Turnover, the Bank is entitled to charge an extra fee in respect of the difference. Method for calculating Turnover Shortfall Commission:

$$(FT - RIT) \times (FF + Hf),$$

where:

FT = the planned annual factored turnover, calculated on a pro-rata basis;

RIT = the realised invoice turnover for the given period;

FF = Factoring fee;

Hf = Handling charge.

If the Factoring Fee used in the calculations is not a one-off fee, the Factoring Fee is calculated on the basis of the Term. The calculations are based on the Factoring Fee and the Handling Charge effective on the last day of the period.

- (b) **Cost of transferring on:** the amount that the Vendor must pay to the Factor for receivables that pass through the Bank but that are not factored.
- (c) **Monitoring fees:** As coverage for the Bank's expenses incurred during its monitoring activity related to the individual contract, the Client shall pay the Bank on the 10th Working Day following each calendar quarter, a monitoring fee determined as a lump sum.
- (d) **Extraordinary monitoring fee:** The Client shall pay to the Bank an extraordinary monitoring fee determined in a lump sum each time the Client fails to fulfil its obligation under the Individual Agreement regarding the provision of information or data within the specified deadline (including especially, but not exclusively, sending any reports, title deeds, property appraisals, quarterly data report summaries, etc. to the Bank). Payment of the above fee shall be due on the Working Day following the last day of the missed deadline, and then monthly, on the day corresponding in number to the Working Day following the last day of the missed deadline, until the day on which the Client fulfils its obligation under the Individual Agreement regarding the provision of information and data.
- (e) **Fees, costs and duties payable to third parties:** The Client shall bear the costs of drawing up and notarising the individual contract, as well as the fees, costs and duties incurred in relation to the registration necessary for the establishment of the collaterals. These fees, costs and stamp duty shall be paid by the Client directly, when due, to the third person charging such fees, costs and duties. If the above amounts are paid by the Bank, the Client shall be obliged to reimburse any amounts certifiably paid by the Bank, based on the Bank's written notice, within 3 (three) Working Days.

- 1.8 If Client fails to meet any of his payment obligations undertaken, outstanding on the basis of the Agreement, in respect of the overdue debt he shall be required to pay default interest from the due date until the day of actual payment, in the extent and in the manner specified in the Business Regulation and in the List of Conditions.
- 1.9 The fees shall in all cases be charged in relation to the given receivables purchase, in accordance with a specific contract concluded based on the Agreement or a framework agreement.
- 1.10 The Bank may decide, within its own discretionary powers (based on a resolution of its decision-making boards), to suspend the charging of one or other of the fees specified in the List of Conditions, for an indefinite time. The Bank shall notify the Client of such suspension, and of the termination of the suspension, in writing.

- 1.11 The day of financial performance as stated in the Agreement and/or in the framework agreement shall be the value date recorded in the Bank books.
- 1.12 Calculation of the fees with annual interest rates:  
Interest amount: rate of interest/100 x days with interest/360 x Reference basis
- 1.13 The basis for determining the Reference-interest rates referred to in the Agreements is as follows:
- 1.13.1 **BUBOR** (Budapest Interbank (Forint) Offered Rate): a benchmark Interest Rate, calculated according to the methods stipulated in the regulations of the Hungarian Forex Society (MFT) from the quoted interbank HUF lending rates of those banks specified by the MFT Professional Committee, and which the National Bank of Hungary publishes on every Bank Working Day on Reuters' "BUBOR" page and makes available to the press for the purposes of publication.
- 1.13.2 **LIBOR** (London Interbank Offered Rate): the average of the interbank interest rates charged by 16 reference banks selected by the British Banking Association for the major currencies (USD, EURO, CHF, JPY etc.) for 15 maturity periods on the London euro-currencies market.  
The time of interest rate fixing is 11 a.m. GMT.
- 1.13.3 **EURIBOR** (Euro Interbank Offered Rate): the interest rate that prime banks charge each other for euro interbank deposits within the eurozone. This interest rate is the average of the quoted daily interest rate of the eurozone's top 57 banks for 15 different maturities.  
The time of interest rate fixing is 11.00 a.m. CET.  
The interest rate is quoted to three decimal places.
- 1.13.4 **CIB Bank Prime Rate**: the benchmark interest rate that CIB Bank Ltd charges for loans to preferred corporate Clients. This rate is quoted in CIB Bank Ltd's newsletter on forint interest rates sent to resident Hungarian companies.
- 1.13.5 **EONIA** (Euro Overnight Index Average): the average interest rate of overnight euro loans granted on the eurozone Brussels interbank market. (This interest rate can be found on Reuters, Eonia, page 1).
- 1.14 Should any payment-due day, as specified in the contract, not be a Working Day, payment shall be due on the next Working Day that follows it, or, if in that specific calendar month there are no more Working Days, the due date shall be the Working Day immediately preceding it.

## 2. The framework contract and framework agreement

- 2.1 The Bank shall conclude a framework contract with the party entitled to the receivables (hereinafter: **Entitled Party**), in which the following shall be set forth:
- 2.1.1 a clear specification of the obligor, or obligors, of the receivables;
- 2.1.2 the framework amount up to which the Bank purchases receivables under the given contract;
- 2.1.3 extent of the advance payable at the time of purchase of the receivable;
- 2.1.4 the term of the financing;
- 2.1.5 the time of the receivables purchase;
- 2.1.6 the extent of the risk bearing on the part of both the Entitled Party and the Bank;
- 2.1.7 the form of the notices;
- 2.1.8 the deadline for settlement statements and financial performance;
- 2.1.9 the chargeable fees;
- 2.1.10 the method of termination; and
- 2.1.11 the information to be submitted by the Entitled Party during the term of the contract.
- 2.2 The framework agreement is concluded by the Bank with the obligor of the receivables (hereinafter: **Obligor**), in which the following are defined:
- 2.2.1 clear specification of the party entitled to the receivables;
- 2.2.2 the framework amount up to which CIB Bank purchases receivables under the given contract;
- 2.2.3 the term of the financing;



- 2.2.4 the form of the notices;
- 2.2.5 the deadline for settlement statements and financial performance;
- 2.2.6 the chargeable fees;
- 2.2.7 the method of termination;
- 2.2.8 the information that is to be provided by the Obligor during the term of the agreement;
- 2.2.9 waiver of the offsetting right under the Civil Code on the part of the Obligor; and
- 2.2.10 the possibility of any resale of the receivables.

### 3. Conditions of invoice acceptance

If the Client wishes to take up financing in respect of any one or more of his invoices, he shall submit to the Bank an original or duplicate copy (at Bank's choice, a simple or an authenticated copy) of the underlying invoice(s), or the basic data of the invoice(s) and an original or duplicate copy (at Bank's choice, a simple or an authenticated copy) of the delivery note(s).

Basic data of the invoice:

- (i) invoice number;
- (ii) currency and amount of the invoice;
- (iii) date of the invoice;
- (iv) due date of the invoice;
- (v) name of the buyer and vendor stated on the invoice; and
- (vi) the currency of payment.

### 4. The time of the receivables purchase

The receivables purchase:

- (i) **is prefinanced**, if the Bank purchases the receivable prior to the due date thereof; and
- (ii) **is past-due**, if Bank purchases it when it falls due, or thereafter.

The Bank does not purchase doubtful receivables.

### 5. The extent of risk bearing

- (i) **Recourse arrangement**: the Entitled Party of the receivables undertakes recourse in the case of the sold receivables in the event of the existence of the conditions specified in the framework contract.
- (ii) **Risk sharing arrangement**: the Entitled Party of the receivables and the Bank share the risk of the non-performance of the Obligor. What this means is that beyond the advance disbursed at the time of the purchase of the receivables, the Bank's additional financial obligation only becomes effective in the event of the full performance of the Obligor within the stipulated deadline.
- (iii) **Risk assumption arrangement**: the Bank takes on the full risk of non-performance by the Obligor. After the Term, it has, in the manner and within the deadline specified in the Agreement, a settlement obligation towards the Entitled Party, independently of the performance of the Obligor.

### 6. The forms and certificates of notices and settlement breakdowns

The Bank may perform its obligations related to the various notices and settlement breakdowns regarding the particular receivables purchases in accordance with the provisions of the given Agreement.

- (i) **Notice letter to the Entitled Party**: states, with reference to the Agreement, the fact and the time of the receivables purchase, the given identifier(s) of said purchase (e.g. invoice number) and the amount thereof, and a settlement breakdown in respect of the advance payable at the time of the receivables purchase and the original due date of the receivable.
- (ii) **Notice letter to the Obligor**: states, with reference to the Agreement, the fact and the time of the receivables purchase, the given identifier(s) of said purchase (e.g. invoice number) and the amount thereof, the original due date of the receivable and the new due date as per the framework agreement.
- (iii) **Interest bearing invoice to the Obligor**: following the full performance of the given receivable, this states the fees charged to the Obligor based on the framework agreement, including any possible sanction type

fees as may arise, and the payment deadlines for them.

- (iv) **Risk assumption fee invoice**: contains the risk assumption fee charged to the Entitled Party, the financial settlement of which generally takes place at the time of the receivables purchase.
- (v) **Fee invoice to the Entitled Party**: is issued at the time specified in the Agreement, and contains the fees regulated therein.

## 7. Declarations

For the purposes of this section 7 "**Financing Documents**" shall mean the other Agreement and the other agreements related thereto, including, without limitation, the security agreements, and any of the "**Financing Documents**".

The Client makes the following declarations to the Bank:

- 7.1 the Client, the Surety and the Security Provider (i) is a validly established and registered company (conducting business activities as a sole trader or an individual firm) or a social organisation or other legal entity, and has been established and is operating in full compliance with the Hungarian legal regulations; and (ii) it is authorised to dispose over its assets and to conduct the activities specified in its founding deed (i.e. memorandum of association, charter or articles of association) and in its license (in the registry of sole traders).
- 7.2 the Client, the Surety and the Security Provider are in possession of the appropriate permits and all necessary authorisations, and have performed every act that is required for the signing of the Financing Documents and for the execution of all the transactions and the performance of all the obligations defined therein;
- 7.3 the obligation undertaken by the Client, the Surety and the Security Provider in the Financing Documents is valid and can be validated (enforced) vis-à-vis the Client, Surety and Security Provider;
- 7.4 the signing of the Financing Documents, the execution of the transactions and the performance of the obligations set forth therein do not violate (i) any legal regulations, or (ii) the Client's, the Surety's and Security Provider's founding deed and/or other corporate deeds, or (iii) any other deed imposing any obligations on the Client or the Surety and the Security Provider, or on any of the Client's assets;
- 7.5 no Breach of Agreement has occurred, and the signing of the Financing Documents or the execution of the transactions set out therein will not cause any Breach of Agreement in the future either, and no such event has occurred which may, under a Agreement imposing obligations on the Client, Surety and Security Provider, or its assets, qualify as a breach of Agreement and would, or, it may be reasonably assumed, could, entail a Material Adverse Impact;
- 7.6 the annual financial statements provided by the Client to the Bank (in simplified form if the Client prepares such, and in consolidated form if the Client has a Subsidiary and prepares such, and [if this is compulsory or is otherwise available] audited) and all of its financial statements issued subsequently thereto, or, in the case of a non-business organisation, the official financial settlement prepared upon the closure of the given business year, (i) have been prepared in compliance with the accounting rules stipulated by the Hungarian legal regulations and with generally accepted practice, with respect to the reporting period and applying such rules and practices consistently; and (ii) present a true and fair picture of the Client's operation and financial position at the time that these documents were prepared, which declaration also applies to the Surety and the Security Provider.
- 7.7 since the time that the Client's factoring application and/or the data supply sheet, or, in the absence of these, the documents revealing the Client's financial position, were submitted to the Bank no material adverse changes have occurred in the Client's financial position (or in its consolidated financial position, if the Client has a subsidiary) or in respect of its financial commitments, which declaration also applies to the Surety and the Security Provider;
- 7.8 no such legal disputes or procedures (including any court, arbitration court or other similar procedures) are in progress against – or are presently threatening – the Client, the Surety and the Security Provider which, in the case of an unfavourable ruling, would, or it may be reasonably assumed, could, entail a Material Adverse Impact;
- 7.9 the information provided by the Client to the Bank in relation to the Financing Documents is true and accurate as of the day of their disclosure or on the day to which the substance of such information relates, and the Client did not fail to disclose to the Bank any such information in the absence of which the submitted information could be false or misleading, which declaration also applies to the Surety and the Security Provider;
- 7.10 all securities establish a security in favour of the Bank on the object of the security at the rank position that is stated in the security document, which declaration also applies to the Surety and the Security Provider; and

- 7.11 the Client has not recognised, in a notarised deed, any debt owed to a third party (not including any non-credit type commercial transactions); its currently owned assets are free of encumbrances, it has not assumed any surety undertaking and it has not provided any other security for the obligations of any third party, with the exception of instances, which were admitted to the Bank precedingly, before the signing of the Financing Documents.

## 8. Obligations to provide information

For the purposes of this section 8 “**Financing Documents**” shall mean the other Agreement and the other agreements related thereto, including, without limitation, the security agreements, and any of the “**Financing Documents**”.

- 8.1 The Client shall make the following documents available to the Bank:

- 8.1.1 with respect to each fiscal year, the Client’s annual financial statements (in simplified form if the Client prepares such, and in consolidated form if the Client has a Subsidiary and prepares such, and [if this is compulsory or is otherwise available] audited) as well as its Business Report (if this is compulsory) as soon as it has been prepared, but certainly not later than by the deadline stipulated by law, which is also undertaken by the Client with respect to the Surety and the Security Provider. If the report is submitted in printed form, a copy duly signed by the Client is to be made available to the Bank. For the purposes of this section, the statements shall be deemed to have been made available to the Bank if they can be downloaded as electronic statements from the website that serves this purpose at the given time. In the case of non-business organisations, the official financial settlements prepared in the above manner upon the closing of the given business year shall be made available to the Bank;
- 8.1.2 if the Client has a quarterly balance sheet and profit and loss account, or if the Bank requires the Client to prepare one, the Client shall submit to the Factor its quarterly balance sheet and profit and loss account related to each calendar quarter, as soon as these documents have been completed, but certainly not later than within 30 days following the last day of the financial period to which they refer, in a document duly signed by the Client;
- 8.1.3 if the Client, the non-natural person Surety, and the non-natural person Security Provider do not conduct double-entry bookkeeping, it shall submit its tax declaration, simplified balance sheet and the current year’s cash book or general ledger, as soon as these documents have been completed, but certainly not later than within 30 days following the closed quarter, in a document duly signed by the Client, the Surety and the Security Provider;
- 8.1.4 the Client’s general ledger related to the given quarter, within 30 days from the end of each calendar quarter; and
- 8.1.5 promptly at the Bank’s request, any such other information as the Bank considers necessary for assessing the Client’s business management or as the Bank may request regarding the performance of the Client’s obligations based on the Financing Documents or in connection therewith, or regarding the financial position and operation of the Client.

- 8.2 The Client shall inform the Bank of:

- 8.2.1 any such change that has impact on the underlying principles of the Client’s, the Surety’s or the Security Provider’s annual financial statements, and the Client shall also provide the Bank with any other information that the Bank may require in order to compare the Client’s, the Surety’s and the Security Provider’s financial position prior to the change with the financial position reported in the financial statements prepared on the basis of the modified underlying principles;
- 8.2.2 any change in the Client’s, the Surety’s or in the Security Provider’s (i) name, office address, chief executive officer, supreme decision-making and executive body or any intended change in the structure of its supreme decision-making and executive body; (ii) any request for the institution of bankruptcy or liquidation proceedings, or termination or other similar (e.g. statutory supervisory) procedure against the persons referred to in this section; and (iii) with regard to the persons referred to in this section, any planned change in their legal (corporate) form, or any petition for the institution of bankruptcy proceedings, any planned resolution in respect of their liquidation or winding up, or any planned termination of its own or of the persons referred to in this section’s business activity, immediately after learning of such intent, as well as any changes in the senior executives and representatives of the persons referred to in this section, simultaneously with the occurrence of such change;
- 8.2.3 the details of any such present or pending legal disputes or procedures (including any court, arbitration court or other similar procedures) instituted against the Client, the Surety and the Security Provider, or against the other persons referred to in this section, which, in the case of an

- unfavourable ruling, would, or it may reasonably be assumed could, entail a Material Adverse Impact, immediately after learning of such procedure;
- 8.2.4 the initiation of any foreclosure procedures against the Client or any of its assets (including any measures ordered by the insurance company), immediately after learning of such fact (in the case of seizure, by submitting a copy of the related seizure report);
- 8.2.5 the Client shall, immediately upon the Bank's request, make available to the Bank its latest effective members' list/share register (if it has such), and if the Client has at least one Subsidiary, such Subsidiary's latest effective members' list/share register as well; and
- 8.2.6 the occurrence of any Event of Default, immediately after the Client's learning of such event.
- 8.3 The Client shall, at the Bank's request, provide the Bank with all such information, and sign all such documents (and the Client shall also provide such information/documents in respect of its owners), as to enable the Bank or the new creditor to comply with its obligation regarding client identification stipulated by its internal regulations or by the legal regulations, with the proviso that the Client shall also provide such information/documents in respect of its subsidiary (subsidiaries), the Surety and/or the Security Provider.
- 8.4 The Client shall, after receiving advance notice, enable the Bank's representative – as part of its monitoring activity – to inspect its records and business books, as well as its assets at the appropriate premises, with the proviso that the Client shall also provide for this possibility in respect of its Subsidiary(s).

## 9. General covenants

For the purposes of this section 9 "**Financing Documents**" shall mean the other Agreement and the other agreements related thereto, including, without limitation, the security agreements, and any of the "**Financing Documents**".

- 9.1 The Client, or, in the case of sections 9.1.1, 9.1.7, 9.1.10 and 9.1.11, the Surety and the Security Provider too, undertake to perform the following obligations in an appropriate manner and by deadline, unless the Bank has agreed otherwise in advance:
- 9.1.1 to in all cases comply with all the statutory regulations applicable to the Client, the Surety and the Security Provider;
- 9.1.2 without Bank's prior written consent, not to establish any encumbrance on its property (assets) to the benefit of any other parties, or grant a right to a third party on the basis of which the third party would be able to satisfy its claim before Bank (*negative pledge*), including such case when the Client were to make a directly executable debt-acknowledgement declaration in the form of a public deed towards a third party;
- 9.1.3 not to alienate its assets (either by a single transaction or by a series of interconnected or independent transactions), except for the alienation of such assets during regular business activity, at market value, unless the alienation of such asset is expressly forbidden by any of the Financing Documents;
- 9.1.4 to ensure that its obligations hereunder shall have at least equal priority as its obligations related to any other present or future short-term and long-term non-secured and non-subordinated obligations, except for those obligations which have priority under the generally applicable legal regulations (*pari passu*);
- 9.1.5 not to draw down and not to provide any loan (credit) and not to establish any such credit-type legal relationship which would create other payment obligations or financial indebtedness exceeding its commitments stated in the KHR (Central Credit Information System) since the handover of the application for the Factoring Service and/or of the data supply sheet to the Bank, and without Bank's prior written consent, not to provide any security, and to only undertake any personal commitment for the obligation of third parties (guarantee, surety, etc.), subject to Bank's prior consent;
- 9.1.6 outside the regular course of business and departing from arm's length conditions, not to enter into a Agreement with any such entity in which it has a direct or indirect ownership share, or which has a direct or indirect ownership share in the Client, or with any of the Client's Affiliated Undertakings;
- 9.1.7 not to change its primary business activity;
- 9.1.8 not to invest in another company and not to establish a new company, with the proviso that, for the purposes of this paragraph, the term 'investment' shall not apply to any purchase of shares related to business organisations listed on the stock exchange, which is performed in compliance with the rules of reasonable and prudent business conduct;
- 9.1.9 not to pay, disburse or determine for the owner or the owner's Affiliated Undertakings any dividends,

fees, commissions or any other amounts – exceeding 25% of the profit before tax – payable under the legal title or on the basis of, or with respect to, the owner relationship (not including the consideration payable under commercial Agreements concluded during the regular course of business, under arm's length conditions) in respect of any fiscal year, and not to provide any loans in favour of any of its owners, after the execution of this Agreement;

- 9.1.10 to ensure, that in accordance with Act C of 2000 on Accounting, or any legislation enacted to replace it, no such changes occur in its ownership structure or in the owners' voting rights which would exceed 10% in total, with the proviso that from the point of view of reaching such limit of 10%, the transactions concluded under this paragraph as well as any changes shall be aggregated;
  - 9.1.11 not to merge with any other companies and not to be part of a de-merger or other company reorganisation or transformation; and
  - 9.1.12 insures, that its quoted capital will not be delivered.
- 9.2 The Client undertakes to continuously comply with the following conditions:
- 9.2.1 It shall keep a payment account in Hungary only with such payment service provider or financial institution that is a direct member of the interbank payment system of the Republic of Hungary;
  - 9.2.2 the Client authorises the account-keeping payment service provider or financial institution to execute the collection order submitted by the Bank in respect of the amount payable under the Financing Documents, in such manner that the authorisation may only be withdrawn or amended with the consent of the Bank, and in the event of a complete or partial lack of coverage, the account-keeper shall be obliged to queue the order for 35 days;
  - 9.2.3 the Bank shall be entitled to enforce the claim by way of a collection order following the orders favourably ranked according to the legal regulations, but prior to any other claim; and
  - 9.2.4 it shall provide written evidence to the Bank of the unconditional acceptance of this by the account-keeping payment service provider or financial institution.

The Client is obliged to notify the Bank within three Working Days following the opening of the new payment account and to ensure that the new payment account complies with all the requirements specified in this section.

## 10. Events of Default

For the purposes of this section 10 "**Financing Documents**" shall mean the other Agreement and the other agreements related thereto, including, without limitation, the security agreements, and any of the "**Financing Documents**".

Any event defined in this section shall qualify as an Event of Default, regardless of whether the Client or any other person contributed to the occurrence of such event or not:

- 10.1 the Client fails to pay any amount payable under the Financing Documents when due and in the manner specified in the Financing Documents;
- 10.2 the Client, the Surety or the Security Provider breaches any of the provisions of the Financing Documents;
- 10.3 the behaviour of the Client, the Surety or the Security Provider aimed at withdrawing the collateral that prejudices the repayment to the Bank of claims advanced by the Bank;
- 10.4 the declaration of the Client, the Surety or the Security Provider set out or repeated in the Financing Documents or in any document submitted by the Client to the Bank (including the application for Factoring Service and/or data supply sheet constituting the basis of the Agreement) is untrue or misleading in any respect at the time that it is made or repeated;
- 10.5 any payment obligation of the Client vis-à-vis the Bank and/or any member of the CIB Bank Group and/or any other financial institution or payment service provider is not paid when due, or it becomes prematurely due and payable due to the occurrence of a termination event, or it becomes due and payable immediately after the creditor's notice being sent to the Client or another recipient due to the occurrence of a termination event, or it may otherwise be made due and payable by such creditor prior to the original expiry date, or if the Client's creditor mentioned above cancels or suspends its financial covenant due to the occurrence of a termination event (in each case regardless of the manner in which the termination event is drafted) (*cross-default*);
- 10.6 the Client, or the Surety or Security Provider (i) becomes or is deemed insolvent pursuant to the law, or is otherwise insolvent or unable to repay its debts when due; (ii) announces to any of its creditors or recognises that it is unable to repay its debts when due; (iii) suspends the repayment of its debts or makes a declaration regarding its intent to do so; or (iv) starts negotiations with any of its creditors with the intent of settling or rescheduling its debts;

- 10.7 the Client, or the Surety or Security Provider submit(s) a request for instituting the liquidation of any one or other of the persons referred to in this section, or a request for the conducting of bankruptcy or other similar (e.g. statutory supervisory) proceedings against itself (themselves), and/or submit(s) such request against the persons referred to in this section;
- 10.8 the supreme decision-making body or another body of the Client, or of the Surety or the Security Provider passes a resolution regarding the institution of liquidation, bankruptcy or winding-up proceedings, or it is convened for the purpose of passing such resolution;
- 10.9 bankruptcy proceedings against the Client, the Surety or the Security Provider, or the liquidation or winding up of the persons referred to in this section, are ordered by a court resolution, or a trustee, temporary trustee, liquidator or executor is appointed;
- 10.10 foreclosure proceedings are instituted against the Client, the Surety or the Security Provider, or foreclosure proceedings are being conducted with respect to any of the Security Provider's assets serving as security for the Bank's claims, or such asset is seized, or insurance measures are implemented;
- 10.11 the Client ceases its primary business activity, or commences some other, non-related, business activity;
- 10.12 due to causes incurred after the conclusion of the Agreement (i) the obligations of the Client, the Surety or the Security Provider under the Financing Documents cannot be performed, or such performance becomes illegal; or (ii) any of the Financing Documents becomes invalid, or if the Client, the Surety or the Security Provider may consider invalid or refuse to perform such obligations with reference to any reason;
- 10.13 such one or more interdependent or independent events occur which, in the Bank's opinion, entails a Material Adverse Impact, or which, it may be reasonably be assumed, could entail a Material Adverse Impact;
- 10.14 if a security has been established in favour of the Bank in connection with the Agreement, and the value of such security falls below the value accepted by the Bank at the time of establishment of such security, or if such security is not created, or if the Bank is of the opinion that the security provided in relation to the Agreement does not provide sufficient coverage, and the Client fails to supplement the security in the manner and by the deadline specified by the Bank;
- 10.15 the owner(s) of the Client breach(es) any of its (their) obligation(s) under a warranty statement made by it (them); and
- 10.16 the Client fails to fulfil any of its obligations defined in a final judgement or ruling of a court.
- 10.17 the Surety terminates the suretyship agreement concluded for an indefinite period.

## **11. Termination of the Agreement**

- 11.1 In the absence of a provision of the Agreement to the contrary, the Client shall be entitled to cancel the Agreement partially or entirely at any time in writing, with 30 (thirty) days' notice of termination, provided that, at the time of the cancellation, it has met all its obligations to the Bank arising under the Agreement.
- 11.2 In the course of the factoring relationship, the breaching of the obligation to cooperate and provide information, the opening or maintenance of a new current account at a credit institution without informing the Bank of this in advance, as well as the undertaking of any further loan debt without the prior consent of the Bank, shall be classed as conduct aimed at the withdrawal of collateral and as a gross breach of contract.
- 11.3 In the case of a gross breach of Agreement or an Event of Default, the Bank shall be entitled to cancel the Agreement unilaterally and with immediate effect. As of the date of the notice of termination, the Bank shall be entitled to charge default interest and to exercise any of its rights of foreclosure with respect to all the collaterals stipulated on the basis of the Individual Agreement.
- 11.4 The cancellation shall not affect the Bank's commitments vis-a-vis any third party undertaken under the Agreement; however, at the Bank's demand, the Client shall be obliged to make the funds necessary for fulfilment of such commitments available to the Bank without delay.
- 11.5 In the event that the Agreement(s) are cancelled with immediate effect by the Bank due to the occurrence of an event deemed a gross breach of contract, Event of Default, the Client shall be obliged to immediately settle all its outstanding payables to the Bank.
- 11.6 In the event that the Agreements are terminated with ordinary notice, the Bank shall have the right to refuse purchase claims, and advances during the notice period.

## **12. Bill of Exchange Agreement**

- 11.1 If a bill of exchange is stipulated in the Agreement, then the Client shall be obliged to indicate the Bank as the payee of the bill of exchange, to specify the place and time of issue of the bill of exchange, to provide it with a declaration of "no protest", and to sign both the declaration and the bill of exchange with its corporate

signature. The Bank shall place the bill of exchange in its vault.

- 11.2 The Client authorises the Bank to complete the bill of exchange and to present it for payment at the Client's account-keeping bank, if an Event of Default occurs. Prior to such presentation, the account number of the obligor (Client), the amount of the bill of exchange as well as its due date shall be completed by Bank with an amount that is sufficient to provide coverage for all its claims under the Agreement when they fall due. The Bank shall simultaneously inform the Client about the presentation of the bill of exchange for payment.
- 11.3 The Bank undertakes a commitment to use the bill of exchange exclusively in the manner and for the purpose specified in this Business Agreement, and to immediately return the bill of exchange to the Client after the Client has fulfilled all its obligations under the Agreement.

#### IV. GENERAL TERMS AND CONDITIONS FOR THE USE OF THE FAKTOR(I) INTERNET SERVICE

##### 1. Definition of terms

**Faktor(i) Agreement:** the document pertaining to the Faktor(i) Service, signed by the Bank and the Client, and entitled "*Application Form/Amendment Data Sheet*".

**Faktor(i) Service:** the electronic service provided by the Bank to the Client, and defined in section 2 below.

**User:** the natural person that has a right, over the Client's accounts, and in respect of certain defined services, to launch inquiries and/or to upload files in the Faktor(i) Service system.

**User Manual:** documents that constitute a set of explanatory notes to accompany these General Terms and Conditions, posted on the Bank's website, which detail the range of Faktor(i) Service services available through the system and the material conditions necessary for using Faktor(i) Service, and which contain a full and detailed description of the procedures required for use of the system, as well as rules relating to the conduct expected from the User of the Faktor(i) Service during use, with the aim of ensuring the appropriate and secure use of the systems.

**User's Annex:** a document containing the User's details, declarations, obligations and information, to be signed by the User and forming an integral part of the Faktor(i) Agreement.

##### 2. The Faktor(i) Service

The Faktor(i) Service is a service of Bank that is available on its website ([www.cib.hu](http://www.cib.hu)), through which the Bank provides the Client/User with the facility to download, via the internet, the necessary statements (invoice breakdowns, utilisation of vendor and buyer limits, open-invoice list, overdue invoices report, NMK list, aging list, monthly statistics) in Hungarian and in English, and to upload batch files, invoice blocks as well as the opportunity for designating invoices for assignment and for making offers by the Client for financing the invoices.

##### 3. Technical conditions for using the Faktor(i) Service:

- 3.1. The Faktor(i) Service can be used if the following technical conditions are present:
- (a) personal computer;
  - (b) internet connection;
  - (c) (i) Internet Explorer 8 ; or (ii) Chrome 16; or (iii) FireFox 13; or (iv) Safari 5 és 6; or (v) a higher version internet browser, capable of running Java, Javascript and establishing an SSL-connection.
- 3.2. The Bank is entitled, prior to the downloading of the Faktor(i) Service provider program, to check whether the browser of the personal computer (from which the internet banking program is to be launched) meets the required technical conditions. The browser check pertains to the computer and does not involve the name of the user.
- 3.3. The Bank shall accept no liability for any damages resulting from the use of browser applications other than the ones specified in the above section 3.1.
- 3.4. The technical requirements are presented in detail in the relevant User Manual.
- 3.5. The Bank shall not be liable for any damages that result if the Vendor/User did not use the device/handset required for Faktor(i) Service in the appropriate manner, or did not access and use Faktor(i) Service from the internet sites specified in section 3 but with the intermediation of another site or platform (software) or from a web store or with the assistance thereof, or did not exercise appropriate care in selecting a suitably secure environment in which to use Faktor(i) Service. The Bank also does not accept any liability for damages

originating from virus infections in the Client's/User's IT system.

- 3.6. The Client/User shall ensure that the browser settings are adjusted appropriately, in accordance with the required technical conditions.
- 3.7. The Bank shall accept no liability for any damages caused by the fact that the parameters of the browser are different from the required technical conditions.

#### **4. Identification**

- 4.1 A username, password and control code generated by the system is required for logging into the Faktor(i) Service.

The username is sent to the User by the system, after the Bank had sent the original copy of Faktor(i) Agreement 1 to the Client and the original copy of User's Annex to the User. After this, the first Password is sent to the User by the system in a separate e-mail. At the initialisation of the Faktor(i) Service, when logging in for the first time, the User must change this password in the manner explained in the relevant User Manual.

- 4.2 After entering the username and password, an e-mail containing the control code will be sent to the User's e-mail address. Instead, from the date to be determined by the Bank of which the Bank will inform the User, for Users who have provided their telephone number to the Bank for identification purposes, an SMS containing the control code will be sent to the mobile telephone number after the User has provided with the username and password to log in. This code, which is valid for a maximum of 2 minutes, must also be provided to log in. The User shall keep the username, password and control code required to use the system confidential and shall not disclose it to any unauthorised person.
- 4.3 If the User changes the password, this new password shall be used for accessing the system from that time on.
- 4.4 The application of the username, the password and the control code as per the above is in keeping with the customer-identification procedure applied at the Bank. The Bank does not examine the entitlement of a user to use the username, the password or the control code or the circumstances of use. With the exception referred to in section 5.3, the Bank shall not be liable for any damage arising from unauthorized use.
- 4.5 The Client bears full liability in respect of all services, as are initiated through the combined use of the username, password and control code that are made available to the User in the Faktor(i) Service systems.

#### **5. Acquiring of secret codes by unauthorised persons, blocking of access to the Faktor(i) Service and blocking and reinstatement of the identification data of the User(entitlement)**

- 5.1 The Client or the User is required, in all cases, to notify the Bank without delay by telephone (on telephone number (06 1) 423 1000) and, simultaneously, to request the blocking of access to the Faktor(i) Service or the use of the Token, in the following instances:
  - (a) if the User or the Client notices that the data used for identification (username, password, control code), has been lost or is no longer in his/her possession; or
  - (b) if the User or the Client notices that the data used for identification (username, password, control code), has come to be known/possessed by another unauthorised person; or
  - (c) if the blocking is necessary for security reasons; or
  - (d) if necessary in order to ensure the security of the data used for identification (User ID, password); or
  - (e) if the User notices an abuse involving the data used for identification (username, password, control code Signature Code Word, PIN code) or involving the Password Generator, or their unauthorised use in an unapproved or fraudulent manner, or in the case of any suspicion of such events; or
  - (f) an unauthorised or unapproved file upload is initiated without the knowledge of the Client/User, or the Client/User notices such a transaction; or
  - (g) the User has forgotten the data used for identification.

Blocking may be requested by providing the username.

- 5.2 The Bank shall not assume any liability for loss sustained by the Client due to the blocking. The Bank shall not be liable for loss sustained by the Client due to the blocking even if the request for the blocking did not come from the Client/User (i.e. in the event of an unauthorised request).
- 5.3 The Client shall be liable for damage arising from the loss or theft of the username, password or control code.



- 5.4 The Bank shall perform the blocking of user entitlement in the manner specified above, based on a request, and in the event of the repeated incorrect specification of the password or control code, the system will automatically block access.
- 5.5 The User may request that the blocking of user entitlement be lifted, in writing. Instructions given by fax (36-1-489-69-68) or e-mail ([faktoruzletkotok@cib.hu](mailto:faktoruzletkotok@cib.hu)) are also deemed to have been made in writing.
- 5.6 After reinstatement, the Faktor(i) Service is once again available.
- 5.7 The Bank is entitled to block the User's data or the User's entitlement used for identification (username, password):
- (a) if the User notices an abuse involving the data used for identification (username, password, control code), or their unauthorised use in an unapproved or fraudulent manner, or in the case of any suspicion of such events; or
  - (b) for other security reasons; or
  - (c) in the interest of ensuring the security of the data used for identification (username, password, control code); or
  - (d) in the event of a serious breach of contract by the User.

The Bank is required to notify the Client of the blocking without delay in a letter sent by post.

## 6. Forgotten password

If the password is forgotten, the process is the same as that for the releasing of blocking the access to the Faktor(i) Service.

## 7. Forgotten username

In the case of a forgotten username the Client may request in writing (CIB Bank Zrt. / Faktoring Service H – 1995 Budapest) a copy of the User' Annex. Requests submitted by fax (36-1-489-69-68) are also deemed to have been made in writing.

## 8. Reactivation of User authorisation

- 8.1. If an invalid password is entered several times, the system will automatically block access. If the User has accidentally entered (mistyped) the password several times, and it can be categorically ruled out that the user identification data has come to the knowledge of an unauthorised person, the User may apply in writing for his/her entitlement to be reactivated. Requests submitted by fax (36-1-489-69-68) or email ([faktoruzletkotok@cib.hu](mailto:faktoruzletkotok@cib.hu)) are also deemed to have been made in writing. In the case of an activation request made in writing, activation of the user rights takes place within one Working Day from receipt, by the Bank, of the written activation request, except for requests made by fax, in which case within one Working Day of the confirmation of the request as described below.
- 8.2. Requests submitted by fax must be confirmed by the User with a telephone call made by the Bank to the telephone number given by the User. The Bank is required to initiate the call, for the purpose of confirming the request, within 1 Working Day following submission of the request.
- 8.3. If the request faxed by the User and the telephone call made for the purpose of confirmation do not match, or if the Bank cannot reach the User at the telephone number provided by the User within 1 Working Day following submission of the request, the Bank shall not fulfil the request and shall not be held liable for damages sustained by the User for this reason.
- 8.4. Following approval, the Faktor(i) Service will be available with the same, unchanged identification data.

## 9. Applying for the Faktor(i) Service

The Faktor(i) Service can be applied for by filling out the "Application/Modification Form" and the "User's Annex".

## 10. User rights

- 10.1. In the context of the Faktor(i) Service, the Bank provides inquiry and file upload services to the User(s) specified by the Client, in accordance with the user entitlement detailed in the Application/Modification Form.
- 10.2. The Bank reserves the right to modify the service range associated with the Faktor(i) Service in accordance

with the relevant provisions of these General Business Regulations. The Client/User may find detailed information, on the way in which they may be used, and on the required technical conditions, in the relevant User Manual.

#### **11. Agreement amendment**

The Faktor(i) Agreement may be amended in writing, including the changing of the Users by the Client, by amending the Faktor(i) Agreement. The Bank shall always regard as valid the user rights as per the latest valid amendment. The Bank reserves the right to the effect that, should the validity of any of the user rights become doubtful or unclear, the Bank will, at its own option, either suspend or unilaterally withdraw such user right until the settlement of the dispute or the certification of the user right. The Bank shall accept no liability whatsoever for any damage originating from such suspension/withdrawal.

#### **12. Data processing**

- 12.1. The Bank takes every precaution to ensure that the Client's and the User's data – in the event of data transmission via electronic channels – does not become accessible to unauthorised persons. The Client understands that if despite Bank's best efforts any data becomes accessible to a third party, the Bank shall not be liable for any loss or damage incurred as a result.
- 12.2. The Bank shall bear no liability in the event that the Client's data becomes accessible due to an error or inadequate security in the systems of the telecommunication service providers, and if this resulted in loss or damage to the Client.

#### **13. Availability of the Faktor(i) Service**

- 13.1. The system is available from 8:00 to 17:00 on Working Days, except when the User rights are blocked or the User rights are being modified. The Bank shall inform the User about these through a message posted on the system screen.
- 13.2. In the event of any technical breakdowns or malfunctions, the Bank shall commence the correction of the fault within 1 Working Day from the detection of the fault.
- 13.3. Except for cases of wilful misconduct or gross negligence, the Bank shall not be liable for damage arising from any operating deficiencies of the system.

#### **14. Fees**

- 14.1. The costs, commissions, fees and interests pertaining to the use of the Faktor(i) Service are contained in the List of Conditions.
- 14.2. All other costs related to the use and operation of the Faktor(i) Service, including telephone, internet and other related costs, shall be borne by the Client.

#### **15. Complaints**

The Client may submit complaints in connection with the use of the Faktor(i) Service in the following manner:

- (a) by mail (addressed to the headquarters of CIB Bank Zrt. (1027 Budapest, Medve u. 4-14.);
- (b) at the e-mail address: [cib@cib.hu](mailto:cib@cib.hu); or
- (c) on the telephone number (06 1) 423 1000, by fax on fax number (06 1) 489 6500.

#### **16. The termination of the Faktor(i) Service**

- 16.1. The termination of the Agreement ensues also the termination of the Faktor(i) Agreement at the same time.
- 16.2. The Client may terminate the Faktor(i) Agreement in writing.
- 16.3. The Bank is entitled to terminate the Faktor(i) Agreement with immediate effect if the Client breaches any of his obligations thereunder or as regulated in Chapter IV (*General Terms and Conditions for the use of the Faktor(i) Internet service*) of these Business Regulations. Upon termination, the Bank shall block access to the Faktor(i) Service. The termination of the Faktor(i) Service shall not affect any other legal relationships existing between the Bank and the Client, with the result that the Client shall no longer be able to use the Factoring Service without it. Furthermore, the termination of the Faktor(i) Service shall not affect any remaining outstanding of the Client vis-à-vis the Bank with respect to the Faktor(i) and Factoring Service.

- 16.4. The Bank reserves the right to change or suspend the Faktor(i) Service. The Faktor(i) Service can be modified, primarily although not exclusively, in the case of a technological and interface-related renovation of the Service, whereas a suspension may take place, primarily although not exclusively, in the event of technical problems and serious malfunctions. The Bank shall notify the Client of the occurrence of such an event via an announcement posted on its website ([www.cib.hu](http://www.cib.hu)). The Bank shall not be liable for any direct or indirect damage suffered by the Client as a result of such change or suspension.

## ANNEX NO. 1

## LIST OF THE MEMBERS OF THE CIB BANK GROUP

<b>Company name:</b>	<b>Intesa Sanpaolo s.p.a.</b>
<b>Registered office:</b>	IT-Piazza San Carlo 156, Turin
<b>Co. reg. no.:</b>	Milano Company Register and Fiscal Code 00799960158
<b>Company name:</b>	<b>Intesa Sanpaolo Holding International S.A.</b>
<b>Registered office:</b>	LU-1724 Luxembourg, Boulevard du Prince Henri 35.
<b>Co. reg. no.:</b>	RCS Luxembourg: B.44318
<b>Company name:</b>	<b>VUB Bank</b>
<b>Registered office:</b>	SK- 82990 Bratislava 25., Mlynské nivy 1.
<b>Co. reg. no.:</b>	Company Reg. No. 31320155, entered in the Commercial Register of the District Court Bratislava I, Section Sa, File No. 341/B
<b>Company name:</b>	<b>Privredna Banka Zagreb (PBZ)</b>
<b>Registered office:</b>	CRO-10000 Zagreb, Rackoga 6.
<b>Co. reg. no.:</b>	Commercial Court in Zagreb, no. 080002817
<b>Company name:</b>	<b>Banca Intesa ad Beograd</b>
<b>Registered office:</b>	11070 Novi Beograd, Milentija Popovica 7.b.
<b>Co. reg. no.:</b>	Business Register Agency no. 07759231
<b>Company name:</b>	<b>Intesa Sanpaolo Banka d.d. Bosna i Hercegovina</b>
<b>Registered office:</b>	71000 Sarajevo, Obana Kulina bana 9.a.
<b>Co. reg. no.:</b>	Cantonal Court of Sarajevo, no. 65-02-0009-11
<b>Company name:</b>	<b>Intesa Sanpaolo Bank Albania</b>
<b>Registered office:</b>	Tirana, Rr. „Ismail Qemali”, No.27.
<b>Co. reg. no.:</b>	Commercial Register no. 11, dtd 10.08.1998
<b>Company name:</b>	<b>Banka Koper</b>
<b>Registered office:</b>	SLO – 6502 Koper, Pristaniska Iluca 14.
<b>Co. reg. no.:</b>	Koper District Court, no. 5092221000
<b>Company name:</b>	<b>Intesa Sanpaolo Bank Romania</b>
<b>Registered office:</b>	RO-Sector 1. Bucharest, Bucharest Business Park Str. Tipografilor nr. 11-15.
<b>Co. reg. no.:</b>	Register of Commerce with the Arad Court: <b>J02/82/1996</b>
<b>Company name:</b>	<b>CIB Bank Zrt.</b>
<b>Registered office:</b>	H-1027 Budapest, Medve u. 4-14.
<b>Co. reg. no.:</b>	01-10-041004 (Company Court of the Metropolitan Court of Budapest)
<b>Company name:</b>	<b>CIB Rent Operatív Lizing Zrt.</b>
<b>Registered office:</b>	H-1027 Budapest, Medve 4-14.
<b>Co. reg. no.:</b>	01-10-044460 (Company Court of the Metropolitan Court of Budapest)

**Company name:** CIB Lízing Zrt.  
**Registered office:** H-1027 Budapest, Medve 4-14.  
**Co. reg. no.:** 01-10-044131 (Company Court of the Metropolitan Court of Budapest)

**Company name:** CIB Biztosítási Alkusz Kft.  
**Registered office:** H-1027 Budapest, Báthory u. 5  
**Co. reg. no.:** 01-09-693224 (Company Court of the Metropolitan Court of Budapest)

**Company name:** CIB Factor Pénzügyi Szolgáltató Zrt. v. a.  
**Registered office:** H-1027 Budapest, Medve u. 4-14.  
**Co. reg. no.:** 01-10-044013 (Company Court of the Metropolitan Court of Budapest)

**Company name:** Recovery Ingatlanhasznosító és Szolgáltató Zrt.  
**Registered office:** H-1027 Budapest, Medve u. 4-14.  
**Co. reg. no.:** 01-10-047249 (Company Court of the Metropolitan Court of Budapest)

**Company name:** Di-Bas Leasing IFN s.a.  
**Registered office:** RO-Bukarest, 2. Kerület Fundeni út 260-262.  
**Co. reg. no.:** Numar di Registrul Comertului J40/140303/2005

**Company name:** Intesa Leasing doo Beograd  
**Registered office:** SRB-11 000 Beograd, Knez Mihajlova 30  
**Co. reg. no.:** Matični broj:17492713

**Company name:** Hungarian Branch of Intesa Sanpaolo Card Ltd.  
**Registered office:** H-1027 Budapest, Medve 4-14.  
**Co. reg. no.:** 01-17-000667 (Company Court of the Metropolitan Court of Budapest)

**Company name:** Intesa Sanpaolo s.p.a.  
**Registered office:** IT-Piazza San Carlo 156, Turin  
**Co. reg. no.:** Milano Company Register and Fiscal Code 00799960158