

UniCredit Bank  
Hungary Zrt.'s  
Business Conditions  
for Corporate  
and Municipality  
Customers

# UniCredit Bank Hungary Zrt.'s Business Conditions for Corporate and Municipality Customers

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## INTRODUCTORY PROVISIONS

The present Business Conditions for Corporate Customers contain the special conditions of the transactions concluded between UniCredit Bank Hungary Zrt. (business seat: 1054 Budapest, Szabadság tér 5-6., operating license: I-1400/2001., date of issue of: 10 August 2001., and I-1523/2003., date of issue: 1 December 2003., respectively; original operating license no.: F-20/1992., date of issue: 28 February 1992.) (hereinafter: the Bank) and economic entities (as defined under Section 685. c of the Hungarian

Civil Code), including local municipalities, state financed institutions, corporations, public corporations and foundations. Its provisions shall be binding upon both contracting parties without any additional stipulation to this effect required, unless the Parties agree otherwise in the individual contracts. For issues not regulated by the present Business Condition, the General Business Conditions of the Bank or other effective Business Regulations of the Bank regarding the given subject shall apply.

## I. TYPES OF CREDIT TRANSACTIONS (assumption of risks)

### 1. Types of Credit Transactions

**Credit Transactions (assumption of risks) shall include, without limitation:**

- a) the provision of credits and loans, including the purchase of securities issued for financing debt, or securities embodying a credit relationship;
- b) the discounting of/advance payment on cheques;
- c) the issuing of bank guarantees and bank sureties by the Bank, as well as the assumption of any other future or contingent liability, guarantee or surety by the Bank, and/or other banker's collateral provided for them;
- d) all such commitments undertaken by the Bank, pursuant to which the Bank guarantees the payment of pecuniary claims that have been transferred in return for a consideration or buys back the pecuniary claim at the buyer's request;
- e) the purchase of a pecuniary claim by the Bank ;
- f) if, pursuant to the account agreement concluded with the Customer as the account holder, the Bank fulfils the Customer's payment orders in the absence of sufficient coverage, or if the balance on the account is insufficient to cover the amount of interest, fees and costs payable to the Bank;
- g) the discounting of a bill of exchange or a letter of credit, with or without recourse (forfeiting);
- h) the avalising of a bill of exchange;
- i) financial leasing.
- j) opening of import letters of credit (covered by cash deposit; to the debit of credit or letters of credit lines)
- k) treasury transactions (hereinafter together: Credit Transactions).

### 2. Assessment of the Customer's creditworthiness

- 2.1. The Bank accepts a credit application or other risk undertaking request (hereinafter: Credit Application) only in written form. Only one such application may be submitted to a particular branch office or the head office of the Bank at any one time. The Bank is entitled to waive the Customer's obligation to submit applications in writing in exceptional cases. The Bank

shall only provide credit in the case of a positive credit decision. The Bank shall inform the Customer in detail of the documents to be submitted for assessment of the Customer's credit requirements and creditworthiness, and of the requirements with regard to the form and content of such documents.

- 2.2. In case of Customers operating as companies, the customer assessment is usually based on the Customer's financial statements for the previous three years (including notes to the financial statements and business plans), the Customer's most recent general ledger extract and a completed questionnaire compiled by the Bank. If the Customer is obliged to prepare consolidated annual financial statements, the customer assessment shall also be based on the Customer's consolidated annual financial statements (including the notes thereto). In case of companies that have been operating for less than three years, the Customer must submit all available report(s) and general ledger extract(s) for the period up until the submission of the credit application.
- 2.3. In case of applications for development loans, a detailed description of the project to be financed and a feasibility study must be submitted to the Bank. The Bank may also request the submission of financial and market plans, prepared in a format specified by the Bank. The definition of further documents to be submitted are included in the product information and the product description made available to the Customer.
- 2.4. For economic associations not being legal entities and private entrepreneurs the Bank usually assesses the Customer on the basis of an analysis of the Customer's activities and a study of the Customer's regular sources of income and tax returns, as well as the results of a creditworthiness assessment conducted by the Bank.
- 2.5. The Bank may, at its own discretion, also request other data for the purposes of carrying out customer and creditworthiness assessments.
- 2.6. The credit assessment fee is determined in the Bank's List of Conditions in effect.
- 2.7. The Bank shall accept or reject the Customer's credit application depending on the result of the customer and creditworthiness assessments. The Bank is not obliged to state its reasons for rejecting a credit application.

- 2.8. The Bank shall assess validly submitted credit applications in the shortest time possible under the given circumstances, and in the case of a positive decision, shall propose a contract.

### 3. Terms used in Credit and Loan Agreements

#### 3.1. Credit Agreement

Under a Credit Agreement, the Bank undertakes, in exchange for a commission, to maintain a credit limit for the Customer, and, provided that the conditions of the agreement are fulfilled, shall conclude a loan contract with the Customer to the debit of the credit limit, which contract may be substituted by a written instruction from the Customer regarding the remittance of the loan.

#### 3.2. Loan agreement

On the basis of a loan agreement, the Bank is obliged to place a specific amount of money at the Customer's disposal, which the Customer is obliged to repay to the Bank pursuant to the provisions of the contract.

#### 3.3. Credit line

The credit line is the amount of credit, specified in the credit agreement, to be made available by the Bank to the Customer pursuant to the terms of the credit agreement.

#### 3.4. Expiry date of the credit line

The expiry date of the credit line is the day on which the Customer is obliged to repay his outstanding debt to the Bank in the manner stipulated in the credit agreement.

#### 3.5. Availability period (deadline for use)

The availability period is the period within which the Customer may draw on the loan.

#### 3.6. Currency of the Loan

The currency of a loan may be HUF or any convertible currency deemed acceptable by the Bank subject to the foreign exchange regulations applicable to the Customer at any given time. Unless stipulated otherwise in the Credit Agreement, the Bank extends loans in the following major convertible currencies: USD, CHF, GBP, EUR.

#### 3.7. Term of the loan

The period of time between the remittance of the loan by the Bank and the expiry date of the loan stipulated in the credit agreement or loan contract.

**3.8. Loans with an original term of less than one year**

Loans extended by the Bank for a period of one year or less.

**3.9. Loans with an original term of more than one year**

Loans extended by the Bank for a period of more than one year.

**3.10. Overdraft Facility**

Without requiring separate instructions from the Customer, the Bank remits the loan by fulfilling payment orders for which sufficient funds would not otherwise be available on the Customer's account, to the debit of the overdraft facility. The Bank shall be entitled, without requiring separate instructions from the Customer, to use amounts credited to the Customer's account for the repayment or repeated uploading of the overdraft.

**3.11. Grace Period**

The period during which, pursuant to the provisions of the credit agreement or loan agreement, the Customer is not obliged to repay his principal debt to the Bank, but during which he is obliged to pay interest on the loan.

**3.12. Drawing on or the loan**

In keeping with the provisions of the credit agreement or loan contract, the Customer submits a written request to the Bank for the remittance of the loan; or, the manner and conditions of the loan remittance are stipulated in the individual loan contract.

**3.13. Remittance of the loan**

In keeping with the provisions of the loan contract or drawdown request, the Bank shall place the amount of the loan at the Customer's disposal, in the currency of the loan, in the Customer's current account denominated in the same currency as the loan. The manner in which it shall do this differs depending on the type of credit. Unless stipulated otherwise in the contract, the amount of the loan shall be credited to the Customer's HUF current account held at the Bank.

**3.14. The drawdown form**

The Bank may provide the Customer with a different loan drawdown forms for each type of loan, in which case the Customer is obliged to use the appropriate form.

**3.15. Expiry of the loan**

The expiry of the loan is the day by which the Customer is obliged to repay his loan debt, in the currency of the loan, to the Bank in the manner stipulated in the credit agreement or loan agreement.

**3.16. Due date**

The day or days, specified in the contract, on which the Customer must fulfil any of his outstanding payment obligations originating from the contract.

**3.17. Final repayment due date**

The day on which the Customer is obliged to make the full amount of his debt available to the Bank, in the currency stipulated in the credit agreement or loan agreement.

**3.18. Interest period**

The period for which the Bank charges, pursuant to the provisions of the credit agreement or loan contract, the interest payable by the Customer on the amount of his outstanding debt. Interest payments shall fall due at the end of the interest period.

**3.19. Revolving credit**

The Bank sets a credit line for the Customer, against which the Bank remits loans to the Customer in accordance with the provisions of the credit agreement and as specified in the drawdown form submitted by the Customer. There is no limit to the number of times that credit which has been repaid may be re-utilised within the availability period (deadline for use).

**3.20. Costs of the credit**

The costs of the credit are determined in the agreement concluded between the Bank and the Customer.

**3.21. Interest on the loan**

The Bank shall calculate the interest on loans as follows:

$$\text{Interest payable} = \frac{\text{outstanding principal} \times \text{interest rate (\%)} \times \text{number of calendar days}}{36\,000}$$

number of calendar days

When determining the number of days for the purposes of interest calculation, the Bank counts the first day of the interest period, but does not count the last day of the interest period.

**3.22. Interest rate**

The Bank usually applies a variable interest rate to loans disbursed in any currency. The rate of interest on loans extended by the Bank shall not change within a given interest period, unless the contract specifies otherwise, but the interest rate may change from one interest period to the other. The interest rate applied by the Bank shall be always specified for the next interest period if the agreement does not define otherwise. The Bank may either peg interest rates to a benchmark rate stipulated in the contract or may determine the interest rate at its own discretion.

In the event that the Bank finds that the above interest rate/transaction rate does not truly reflect the current market interest rate of loans subject to similar conditions, or in the event of measures taken by authorities or the Central Bank affecting the profitability of the transaction, the Bank reserves the right to define a new reference interest rate, or to modify the interest rate or surcharge charged on the loan. The Bank shall notify the Customer in writing of any modification of the interest rate as well as of the effective date of such modifications. The change in interest rate/interest surplus shall not affect the interest specified for the period preceding the date indicated in the notification.

### 3.23. Availability fee

From the date of the contract's entering into force, or from the first day of the availability period, until the end of the availability period (deadline for use) the Bank shall charge an availability fee on the amount of unutilised credit, at the rate defined in the List of Conditions or in the individual agreement. Unless the contract stipulates otherwise, the fee shall become due for payment on a quarterly basis or on the last banking day of the availability period. The availability fee shall be defined based on the daily balance of the available amount, by using the following formula:

$$\frac{\text{Available amount} \times \text{number of calendar days} \times \text{availability fee \%}}{36\,000}$$

### 3.24. Handling fee (fee for the conclusion or extension of the contract)

Unless the credit agreement or loan agreement stipulates otherwise, the Bank shall charge a one-off handling fee, due for payment immediately following the conclusion of the credit agreement or loan contract, or the coming into force of its extension, the amount of which shall be determined in the individual credit agreement or loan contract.

### 3.25. Disbursement charge

The Bank shall charge after the amount of the loan disbursed its costs arising from the disbursement, which are to be paid by the Customer according to the provisions of the credit or loan agreement.

### 3.26. Micro enterprise

Micro enterprise means an enterprise that according to the best knowledge of UniCredit Bank Hungary Zrt. based on the data provided by the Customer i) has less than 10 employees as total headcount and ii) has an annual revenue or balance sheet footing of maximum 2 million EUR or the corresponding HUF amount calculated with

the official Hungarian Central Bank (MNB) rate published for the last banking day of the business year.

## 4. General conditions pertaining to the credit or loan agreement

- 4.1. The credit agreement must contain the purpose, amount, currency and expiry date of the credit facility/loan, the interest rates and fees payable by the Customer, as well as the terms and conditions for its utilisation. If, at the time of conclusion of the Credit Transaction, it is not possible to determine all of the conditions of the Credit Transaction, the remaining conditions shall be determined in separate contracts related to the Credit Transaction.
- 4.2. The Bank's officers shall inform the Customer about the proposed credit conditions prior to the conclusion of the contract.  
The general financial conditions for Credit Transactions are contained in the Bank's latest List of Conditions.
- 4.3. Repayment of the loan principal, interest and costs (the debt) in line with the contract.
  - 4.3.1. If the debt is to be repaid from a current account denominated in the same currency as the loan:
    - if the amount of the outstanding debt is available in the Customer's current account held at the Bank and denominated in the same currency as the debt, then the Bank shall debit the amount of the outstanding debt from this account;
    - if the Customer's current account denominated in the same currency as the debt does not contain sufficient funds to cover the repayment of the debt, then the Bank shall record the unpaid amount as an overdue debt and – without requiring any special instruction to this effect from the Customer – may debit the amount of the overdue debt from any of the Customer's accounts held at the Bank.
  - 4.3.2. If, pursuant to the agreement concluded between the Bank and the Customer, the debt is to be repaid from a current account denominated in a currency other than that of the loan:
    - a) in case of a debt in HUF  
In case of current account held in an EEA currency on the due date for payment of the debt, in any other case two banking days prior to the due date for payment of the debt, the Bank shall debit the foreign-currency equivalent of the HUF debt, calculated at the Bank's buying exchange rate as of the due date for payment, to the Customer's foreign currency

current account – specified in the contract – held at the Bank. If the Customer’s foreign currency-based current account specified in the contract does not contain sufficient funds to cover repayment of the debt, then the Bank shall record the unpaid amount as an overdue debt and, without requiring any special instruction to this effect from the Customer, may debit the amount of the overdue debt to any of the Customer’s accounts held at the Bank.

- b) in case of a foreign-currency debt the Bank shall debit
  - in case of EEA currency debt on the due date for payment of the debt, in any other case two banking days prior to the due date for payment of the debt the foreign-currency equivalent of the HUF debt, calculated at the Bank’s selling exchange rate as of the due date for payment of the debt, to the Customer’s HUF current account specified in the contract and held at the Bank; or
  - in case of EEA currency debt and if the current account is held in an EEA currency on the due date for payment of the debt, in any other case two banking days prior to the due date for payment of the debt, the amount of the debt, calculated at the Bank’s cross rate as of the due date for payment of the debt, to the Customer’s foreign currency current account.

If the Customer’s HUF or foreign currency-based current account specified in the contract does not contain sufficient funds to cover repayment of the debt, then the Bank shall record the unpaid amount as an overdue debt and, without requiring any special instruction to this effect from the Customer, may debit the amount of the overdue debt to any of the Customer’s accounts held at the Bank.

4.3.3. If the debt is to be repaid in the same currency as the loan, but the Customer does not keep a current account with the Bank:

- a) Credits in HUF  
On the due date for payment, the Customer shall make the outstanding amount of the debt available to the Bank on the account held by the Bank at the National Bank of Hungary (MNB).
- b) Credits in foreign currency  
On the due date for payment, the Customer shall make the amount of the outstanding debt available to the Bank on the Bank’s foreign currency account specified in the contract between the Bank and the Customer held at another bank.

4.4. The legal consequences of late payment

In case of late payment, the Customer shall pay a special-rate credit interest, calculated at the rate and

in the manner specified in the individual credit or loan agreement. The method for calculating the special-rate credit interest shall be the same as that for the interest on loans.

4.5. Prepayment

Unless the credit or loan agreement provides otherwise, the Bank shall accept the payments of instalments of the Customer before the due date (hereinafter: prepayment) under the following conditions:

4.5.1. In case of a HUF or foreign currency-based loan:

If the Customer notifies the Bank in writing about the exact amount and the date of prepayment at least five banking days prior to a prepayment, the Customer shall be obliged to make the amount of the prepayment available to the Bank on the due date and under the conditions specified in clause 4.3. at the latest.

The Customer shall be obliged to compensate all banking costs (breakage cost) incurred as a result of any prepayment made and the prepayment handling fee according the List of Condition for Enterprises, Municipalities and Business Organisation of the Bank on the due dates determined in the Bank’s notice. The right of prepayment of the Customer is conditional upon the condition that there is no overdue debt of the Customer towards the Bank (regardless the title of the debt) by the time of prepayment.

The prepayment notice is irrevocable, and obliges the Customer to pay the amount specified in the notice to the Bank on the date specified therein. Any failure on the part of the Customer to perform the prepayment pursuant to the notice shall qualify as a serious breach of contract, and the Customer shall be obliged to pay special-rate credit interest and late-payment interest for the period from the due date stipulated in the notice and the date of the actual payment, except for the Bank decides and informs the Customer of the disregarding of the prepayment notice due to the fail of the Customer to make available the prepayment amount, in the latter case the credit or loan agreement shall prevail with the original conditions.

4.5.2. In the event of partial prepayment, the Customer may choose, while the original maturity date remains unchanged, whether to reduce all the remaining instalments by the same proportion, or to reduce just the final instalment.

4.6. If the Customer has debts to the Bank under various legal titles, or has more than one debt under the same

legal title, and the payment made by the Customer is insufficient to cover repayment of all his overdue debts to the Bank, then the Bank, regardless of any instructions given by the Customer, shall, at its own discretion, use the funds paid in by the Customer for the purposes to pay off, either fully or in part, the Customer's debt.

- 4.7. The Bank shall be entitled to cancel, at any time, any unutilised part of the credit line with immediate effect and without stating its reasons for doing so, or, if money-market conditions justify so, the Bank shall be entitled to make remittances against the credit limit in a currency, available to the Bank on the money market, that differs from the currency specified in the drawdown request. The Bank shall notify the Customer in writing about the change in the currency of remittance and about the applicable interest rate at least 3 banking days prior to the date of such remittance. The remittance shall be made only if the Customer sends the Bank a written acceptance of the currency change and the new interest rate determined in the new currency by 10 a.m. on the second banking day prior to the date of remittance, at the latest. If the Customer refuses to accept the changes in the currency of the remittance or in the interest rate, or if the Customer fails to provide any declaration or statement in this regard, the Bank shall not make the remittance. The Bank shall not be liable for any damage resulting from its refusal to make such remittance or for the cancellation of the unutilised part of the credit line.
- 4.8. At any time during the validity of the credit or loan agreement, the Bank shall be entitled to assign to third parties, in full or in part, its receivables from the Customer arising from the credit or loan agreement, or to further syndicate the credit. The Bank may also assign to third parties its creditor position pursuant to the credit agreement or loan contract, in such a manner that it transfers, fully or proportionately, its rights originating from the credit or loan agreement and, with the prior written consent of the Customer, which consent shall not be unreasonably withheld, also assigns to third parties, fully or proportionately by means of a debt transfer, its obligations originating from the credit or loan agreement. The Customer shall, within three banking days following the receipt of the written notification regarding the Bank's intention to assign its creditor position, send a written declaration to the Bank stating whether it approves the assignment of the Bank's obligations originating from the credit agreement or loan contract to third parties. If the Customer makes no statement within the above deadline, the Bank shall deem the Customer to have consented to the transfer.
- 4.9. The Bank reserves the right to refuse, for any reason, to perform any Credit Transactions stipulated in the drawdown request, and to assume the related banking risk, without giving its reasons for doing so.
- 4.10. The Bank shall disburse loans based on a development credit agreement only for the financing of real costs which are supported by invoices and contracts or bookkeeping records, being indispensable for the realisation of the development. The Customer shall, prior to the loan remittance, provide the Bank with the invoices to be financed and the written certificates requested.
- 4.11. The Customer is obliged to pay any of its debts to the Bank (especially the loan principal, interest, late-payment interest and other fees) within the specified deadline and without any deductions, offsetting or tax deductions under any legal title whatsoever. If the debts payable to the Bank are subject to deductions under any legal title pursuant to statutory provisions or authority or central bank regulations, especially tax deductions, then the Customer undertakes to repay such debts in such a manner that the amount of the debt is supplemented by the amount of such deductions, thus ensuring that the net amount actually received by the Bank corresponds to the amount of the debt before any such deductions have been made.
- 4.12. In the case that the currency of any loan in any recorded agreement ceases to exist, the currency of the loan shall change into the currency chosen by the Debtor from the currently valid Announcement of the Bank, and if the Debtor does not inform the Bank about his choice in writing within 15 days after such currency ceases to exist, the Bank shall convert the loan without giving any further notifications into the valid currency of the Hungary. The rate of conversion is the selling rate according the current Announcement of the Bank.
- 4.13. For bank guarantees and sureties provided by the Bank, the Customer is obliged to pay, on the basis of the total amount of the bank guarantee or surety, the fee determined in advance as a lump sum for the period commencing on the day of issue of the document certifying the Bank's assumption of liability.
- 4.14. This fee shall be determined pursuant to the prevailing List of Conditions and the provisions of the individual agreements.

## 5. Collateral for Credit Transactions

5.1. At any time during the term of its business relationship with the Customer and with regard to any of its claims, even if the Customer's debts are subject to conditions or deadlines or are not yet due for payment, the Bank shall be entitled to demand that the Customer provide collateral deemed suitable by the Bank, or to supplement the existing collateral, to the extent necessary to guarantee enforcement of the Bank's claims.

Upon the Bank's request, the Customer is obliged to immediately take steps to provide the collateral. The Bank is entitled to decide, taking into consideration the Customer's financial position, what type of collateral it requires from the Customer in relation to the given credit transaction.

5.2. In order to secure its claims, the Bank may accept the following types of collateral (or a combination thereof), without limitation:

- a) guarantee, bank guarantee
- b) security (cash, securities, bank account balance)
- c) mortgage
- d) assignment
- e) payment guarantee, joint and several guarantee
- f) purchase right

5.3. If the collateral takes the form of a separated deposit (security deposit) on the Customer's account, and its value decreases by 5% or more due to a change in the exchange rate and/or share prices, then the Bank shall be entitled to supplement the collateral to the debit of the Customer's account kept with the Bank, or to request that the Customer supplements the collateral.

5.4. The Customer shall be obliged to make a written statement about the extent to which any collateral he pledges is already encumbered in connection with other legal transactions.

The Bank does not accept as collateral

- a) securities released by the Bank and embodying membership rights,
- b) securities released by enterprises belonging to the bank group, financial holdings or enterprises operating mixed activities and embodying membership rights,
- c) shares of companies limited by shares which are belonging to the bank group, financial holding or enterprises operating mixed activities in which the Bank has direct control.
- d) business shares or shares of companies that have direct control over the debtor/customer or on which the debtor/customer exercises direct control.

5.5. If the Customer fails to meet its payment obligations by the date they fall due, the Bank shall be entitled to enforce its rights originating from any of the collateral, in keeping with the prevailing statutory provisions, in the manner that the Bank deems to be the most effective for the purposes of enforcing its claims. The Bank shall be entitled, at its own discretion, to use the amount collected through such enforcement either to reduce the Customer's debts or as a security deposit.

5.6. The Customer's obligations with regard to property and life insurance:

The Customer shall insure/have insured the property or assets serving as collateral for the credit, as well as its assets financed by the loan, and shall take out a life insurance policy, if stipulated by the Bank in the contract defining the conditions pertaining to the transaction. Such insurance must cover all insurable risks. The Customer shall designate the Bank/have the Bank designated as beneficiary in the above insurance contract or policy.

If the Customer already has an insurance contract, it must assign the amount of any indemnification to the Bank up to the amount of the Customer's debts to the Bank outstanding at any given time. During the period in which the asset serves as collateral for the transaction, the Customer may not modify or terminate the insurance contract without the Bank's consent, and upon the Bank's request shall be obliged to present the insurance policy to the Bank and pay the insurance premiums in due amount and at due times, and upon request provide the Bank with proof thereof. The Bank shall be entitled to use any indemnification paid by the insurance company to reduce its claim against the Customer even before such claims become due, if the Customer does not replace or cause to be replaced its lost or destroyed property. The amount of any indemnification remaining in excess of the Bank's claims shall be payable to the Customer, unless the contract defining the conditions of the transaction stipulates otherwise.

5.7. The Bank may include as Co-Debtor/Guarantor resident or non-resident natural persons of legal age and capable of acting legally in the loan obligation who have usufructuary/dower rights of the real estate offered as collateral and it may also involve third-party Pledgers as well. The Bank shall accept as collateral only separately marketable real estate or parts of real estate which has a land registry sheet and is free and clear of all liens, encumbrances and charges. In exceptional cases and at its own discretion, the Bank may also accept



encumbered real estate if the rights or facts registered on the land registry sheet do not hinder the enforcement of the mortgage right.

- 5.8. The Bank shall release the collateral if it judges that the collateral is no longer necessary to secure the Bank's claims or if such claims have ceased to exist.
- 5.9. All costs relating to the provision, maintenance, handling and enforcement of the collateral shall be borne by the Customer.
- 5.10. The Customer shall provide for the maintenance, preservation and protection from damage of assets and rights pledged as collateral in the Bank's favour, as well as of the enforceability of any related financial claims. The Customer must immediately inform the Bank of any changes to the value or marketability of the collateral. The Bank shall be entitled to check, even through on-site inspections, whether the collateral securing its claims is appropriate, and whether the assets pledged as collateral are being properly managed, operated and protected from damage by the Customer.

The Bank is entitled to carry out a valuation or review of a previous valuation, or to have a valuation performed by an expert, on any real estate and/or movable property pledged by the Customer as collateral, both prior to the conclusion of the credit or loan agreement and at any time during the term of the agreement. The costs of such valuation shall be borne by the Customer.

- 5.11. Should the precondition(s) for the exercising of a right serving as collateral, or the enforcement of a claim to such collateral, arise during the period in which the collateral is sequestered or otherwise bound in respect of the Credit Transaction, the Bank shall be entitled to exercise that right or to enforce that claim. Thus, the Bank shall be entitled to redeem the securities or certificates of pledge in its possession or enforce the claims assigned to it or transferred to it as collateral, even before its own claim against the Customer fall due, and to use the resulting proceeds either to reduce the Customer's debts or as a security deposit. In such cases, the Bank shall be entitled to take all the measures it deems necessary in order to enforce such claims.
- 5.12. The Customer is obliged to ensure, and assume liability for, the fulfilment of its obligations pursuant to clauses 5.6. and 5.9., even if the Customer is not the owner or holder of the asset or property serving as collateral.

## 6. Cooperation and Notices

- 6.1. The Customer undertakes to entrust the Bank with all the banking tasks related to the given Credit Transaction.
- 6.2. The Customer undertakes, during the validity period of the contract pertaining to the Credit Transaction:
- a) to send to the Bank its annual financial statements (including the notes thereto) immediately following the closing of each business year, as well as the consolidated balance sheet, duly signed by the Customer and countersigned by the auditor at the time of their publication pursuant to Act C of 2000 on Accounting,
  - b) to submit to the Bank, by the 10th day of each calendar quarter, its cash-flow plan for the following calendar quarter and general ledger extract for the previous calendar quarter,
  - c) to immediately supply any information requested by the Bank that is relevant with regard to the Credit Transaction,
  - d) to immediately inform the Bank of any event in connection with the Customer's business operations that has or may have an adverse effect on his situation or reduce the value of the collateral, or of any change in the enforceability of any collateral, especially if a right of enforcement has been registered with respect to the real estate mortgaged in relation with the Credit Transaction,
  - e) to consult the Bank before implementing any change(s) to its legal status,
  - f) to inform the Bank of any changes in its ownership structure, even at the stage of preliminary negotiations with respect to such changes,
  - g) to inform the Bank of its bank accounts kept with other banks and credit institutions, specifying their account numbers, and to proceed without delay to record the Bank's right of prompt collection, the performance of which it shall verify by handing over the original copy of the letter of authorisation confirmed by the account-managing credit institution,
  - h) to inform the Bank of its bank account agreements concluded with other credit institutions,
  - i) not to draw on credit from another bank or credit institution during the term of the credit or loan agreement without the Bank's consent,
  - j) not to use any other credit facility to fund the transactions financed by the Bank, and to ensure that no double credit-financing shall occur,
  - k) not to grant without the Bank's consent a right of foreclosure to third persons during the validity of the contract pertaining to the Credit Transaction,
  - l) to promptly inform the Bank if there is any likelihood of bankruptcy or liquidation proceedings being initiated

- against him during the validity of the contract pertaining to the Credit Transaction,
- m) to provide any such conditions (collateral, discounts) to the Bank as it provides to other banks or credit institutions during the term of the credit agreement,
  - n) not to offer its assets to third parties as collateral without the Bank's consent,
  - o) after signing the credit or loan agreement with the Bank, not to offer any other credit institution sureties under terms that are more favourable than those offered to the Bank, or with any rights that detract from the enforceability of the sureties provided to the Bank,
  - p) to only withdraw cash for personal use or make dividend payments against its net worth in an amount that does not jeopardise the Customer's fulfilment of its principal and interest payment obligations to the Bank under the Credit Transaction.
- 6.3. If necessary, the Customer shall make a separate statement to the effect that, as at the time of the conclusion of the contract pertaining to the Credit Transaction, he possesses all licences related to the Credit Transaction as required under the prevailing Hungarian statutory provisions, and shall present such licenses upon the Bank's request.
- 6.4. The Bank is entitled, following prior notification of the Customer through his duly authorised representative, to examine, on the Customer's premises, the Customer's business accounts and other records and documents. The Bank is entitled to check whether the Customer is using the credit or loan for the purposes specified in the contract.
- 6.5. In addition to the above, the Bank is entitled to request any ad-hoc or supplementary information or documentation that it may require.
- 6.6. Within the frame of its cooperation liability, the Customer shall request from the Bank its prior written approval if during the credit assessment it intends to commission another economic entity with the operation of any of its activities and to terminate partially or fully this activity.
- 6.7. Should the Customer be classified as a micro enterprise under the present Business Conditions upon the conclusion of an agreement with the Bank, then the Customer shall inform the Bank thereof, before entering into such agreement.
- 6.8. If the Customer is classified as a micro enterprise upon the conclusion of the agreement, then the Customer shall inform the Bank immediately in writing during the term of such agreement about any change that occurred in any elements of the "micro enterprise" definition subsections i) and ii) of the present Business Conditions.
- 6.9. If the Customer and/or the collateral providers fail to perform their contractual obligation to present their financial data on time, the Bank become incapable to perform its Customer/ extension qualification obligation as it is set out in the prevailing legal regulations. If the Customer and/or the collateral providers fail to perform their obligation to present their financial data within 30 days from the contractual deadline, the Bank shall charge a penalty for non-performance of financial data presentation obligation in line with the documents „List of Loan Conditions for Small Business Clients” and “List of Conditions for Enterprises, municipalities and Business organizations“.
- 7. Modification of the contract pertaining to the Credit Transaction**
- 7.1. The Parties are entitled to modify the contract pertaining to the Credit Transaction any time in writing and by mutual agreement.
- 7.2. If the interest rate/transaction interest rate determined in the contract pertaining to the Credit Transaction does not realistically reflect the interest rate in the money and/or capital market for loans with similar conditions, or in the event of any new laws or authority/court/ central bank measures affecting the profitability of the transaction, or in the event of material deterioration of the economic or financial situation of the Customer, the Bank reserves the right to determine a new reference rate, and to modify the interest rate/interest margin charged on the loan. In case of the conditions set out in Clause III, the Bank is entitled to modify the other fees and costs determined in the contract pertaining to the Credit Transaction. The Bank shall notify the Customer in writing of any modifications of the interest rate/interest margin, fees and costs, further the effective date of such modifications. The change in the interest rate/interest margin, and fees and costs shall not affect the interest rate, and fees and costs determined for the period preceding the effective date indicated in the Bank's notice. Further, in case of the conditions set forth in this paragraph, the Bank is entitled to unilaterally modify, the interests, fees and costs specified in the contract pertaining to the Credit Transaction as interests, fees and costs based on the List of Conditions, and also the contractual conditions, even if these modifications are

unfavourable for the Customer. The Bank shall inform the Customer of such unfavourable modification at least 15 days prior the effective date of the unfavourable modification by means of the Announcement freely accessible in the branch offices.

- 7.3. If the credit transaction contract between the micro enterprise Customer and the Bank does not stipulate any conditions concerning the Bank's right to unilaterally modify the interests, fees, commissions and other costs, the Bank's right to unilateral modification shall be governed by the Business Conditions for Corporate and Local Government Customers effective on the date the credit transaction contract between the micro enterprise Customer and the Bank is concluded.

## 8. Conditions for the Credit Transaction Contract to become effective and for non-private Customers, proof that the signatory is authorised to sign on behalf of the company

Conditions for the Credit Transaction Contract to become effective:

- a) execution, by the duly authorised representative of the Customer, and verification of the fact that the signatory is authorised to sign the given loan/credit agreement on behalf of the Customer, and in the case of a private individual, the execution of the contract countersigned by two witnesses,
- b) fulfilment of the other conditions for contract becoming effective, as stipulated in the contract,
- c) the contract(s) pertaining to collateral coming into effect (signed by the Company's duly authorised representative or, for private individuals, by the Customer in the presence of two witnesses, and the fulfilment of all other relevant conditions).

## 9. Termination or withdrawal of the credit or loan agreement

- 9.1. The credit or loan agreement shall be terminated as of the day on which the Customer fulfils all its payment obligations arising from the credit or loan agreement, and all of the Bank's claims originating from the contract have been satisfied.
- 9.2. In addition to the cases defined in § 525 of the Hungarian Civil Code (Ptk.), the Bank may terminate the credit or loan agreement with immediate effect, if
  - a) the Customer violates any of its contractual obligations towards the Bank,

- b) the Customer has intentionally misled the Bank or kept the Bank misinformed by providing false information, withholding important facts or data, or by providing incorrect data,
- c) in the Bank's judgement, following the execution of the contract a significant adverse change occurs in the Customer's economic and financial situation or the prospects thereof,
- d) the Customer assumes other payment obligations (e.g. guarantee, surety) which jeopardise the fulfilment of his obligations towards the Bank,
- e) the Customer fails to fulfil his obligations, including the payment of tax debts, towards another financial institution, company or any other authority, or is late in fulfilling such obligations.

- 9.3. Following termination with immediate effect, all the debts of the Customer towards the Bank shall immediately expired and fall due for payment, and the Customer shall, within two banking days following receipt of the notice of termination, settle with the Bank all debts arising from the credit or loan agreement in a lump sum under the legal title of an overdue debt.

- 9.4. Both the Bank and the Customer shall be entitled to terminate the contract by ordinary termination in cases provided for under the terms of the individual contract. The Customer acknowledges that in the case of ordinary termination by the Bank, from the time of receipt of the notice of termination the Customer shall not be entitled to utilise the unutilised part of the credit line, including the unutilised part of the credit line set for the specific type of Credit Transaction stipulated in the credit agreement.

- 9.5. The Bank is authorized to convert the existing foreign currency debt of the Customer to Hungarian forint on the third banking day or later following the entering to effect of the notice of termination, calculating with the Bank's foreign currency sell rate. In case of such conversion the Bank shall be entitled to apply the BUBOR as reference rate of the interest and default interest following the date of conversion regardless the terms of the credit agreement, otherwise the calculation provisions of the interest and default interest set out in the credit agreement remain unchanged. The Bank shall inform of such conversion of the Customer's existing debt within three banking days. The provisions of this clause shall prevail in case of the publication of the liquidation procedure against the Customer with the effect of the banking day following the publication, as well as in case a debt become overdue with the effect of the banking day following the due date.

9.6. The contents of the Bank's business books and records shall apply when establishing the amount of credit

extended by the Bank at any given time, and the incidental charges thereon.

## II. DOCUMENTARY TRANSACTIONS

Documentary transactions are banking services in connection with the financial arrangement and the implementation of special payment methods (prompt collection, letter of credit) connected to the foreign trade contracts of the Customer and the provision of a bank guarantee.

### 1.

- 1.1. The obligations of the Bank for the execution of documentary transactions are independent legal relationships, within the framework of which objections arising from the foreign trade and other contracts of the Customer and the basic legal relationship concerning documentary transaction cannot be made.
- 1.2. Based upon the order of its Customers (or its correspondent banks) and on the conditions of the Hungarian statutory regulations, the Bank arranges documentary transactions and executes, on the basis of individual evaluation, the financing and discounting connected with the documentary transactions. In case of collection orders, prompt collection orders and letters of credit the Bank shall apply the effective international standards published in the "Common Regulations on Collection" and „Common Regulations of the Documentary Credit" of the International Chamber of Trade in Paris.
- 1.3. The Bank does not accept incomplete, contradictory or ambiguous orders or orders which contain such conditions, deemed as such on the basis of the Bank's experience.
- 1.4. Any such documentary transaction which is based on the credit relationship of the Bank and the Customer shall be qualified as credit transaction and the provisions on credit provision of the present Business Conditions shall be applicable.
- 1.5. By executing the orders of the Customer in connection of which the Customer expressly requests execution by conversion, the Bank applies its own exchange rates (for export transactions the selling and for import transactions the buying rate). The Bank shall not be liable for eventual exchange rate losses which may arise during the execution of the order by any change in exchange rates. In case the Bank suffers any losses or has to bear any costs

due to any change in the exchange rates, the Customer shall refund it upon the first written notice of the Bank.

- 1.6. The Bank accepts orders for opening of letters of credit under the value of EUR 5,000 or in any other currency in equal value only in exceptional cases.
- 1.7. For the execution of the order, the Customer shall provide the Bank with a security or collateral of a defined quality and defined value. In the absence of such security, the Bank shall refuse the order. If the Bank fulfils payments within the frame of the documentary transaction, it is entitled to satisfy its claims towards the Customer by enforcing the use of the security or collateral provided by the Customer for this purpose.
- 1.8. The Bank shall examine the documents supplied with the customary prudence in banking practice. The examination shall not include the control of related goods and services. The Bank is not obliged to verify the documents and shall not be liable in case these are false.
- 1.9. In the case of letters of credit, the Bank shall execute payments only if the documents supplied comply with the provisions of letters of credit. If such documents are identical, the Customer shall not make any objections concerning the payment execution of the Bank. No documentary credit shall be effected to the credit or debit of private customer accounts.
- 1.10. In connection with its financial arrangement activity, the Bank may accept the handling of letters of credit opened in favour of the Customer by other credit institutions. The handling of the letter of credit includes the authentication, the examination of congruency of the documents in accordance with the provisions of letters of credit and the forwarding of relevant documents according the conditions of documentary credit to the opening credit institution. The Bank shall not undertake any obligation with regard to the performance of the credit institution opening the letter of credit.
- 1.11. The bank guarantee is the undertaking of the Bank for the fulfilment of financial or other performance, based on the basic legal relationship between the

Bank and Customer, on which basis the Bank shall meet the payment obligations defined in the guarantee in its own name but by order and at the cost of the Customer. The Bank issues a bank guarantee only by being aware of the initial transaction, but the conditions of the initial transaction shall not be part of the Bank's obligation. The Bank informs the Customer upon the issuance of the bank guarantee by forwarding the copy of the bank guarantee declaration, and the original copy of the bank guarantee shall be mailed by registered/acknowledged/priority letter to the address of the beneficiary. The customs guarantees, tender/bid guarantees are exempt from this procedure as the original copies of these types of guarantees are delivered to the Customer under acknowledgement of receipt. The availability fee shall be calculated for the available bank guarantee frame amounts based on the daily closing balance as follows:

$$\frac{\text{available guarantee amount} \times \text{number of calendar days} \times \text{availability fee}\%}{36\,000}$$

- 1.12. If the guarantee fee shall be calculated with any other method than calculation after the commenced month/year according to the guarantee agreement (the calculation is based on the exact term of the guarantee), the guarantee fee shall be calculated based on the following formula:

$$\frac{\text{Existing guarantee amount} \times \text{number of calendar days} \times \text{guarantee fee}\%}{36\,000}$$

- 1.13. In connection with its financial arrangement activity, the Bank may accept the handling of bank guarantees opened in favour of the Customer as beneficiary by other credit institutions. The handling of the bank guarantee shall include the recording of the original copy of the guarantee undertaking, the authentication of the signatures thereon and the utilization of the bank guarantee. The Customer, in its capacity as the Beneficiary of the bank guarantee handled by the Bank, shall submit its commission to utilise the bank guarantee prior to the expiration date of the guarantee according the conditions defined therein. The documents necessary for the utilization of the bank guarantee have to be provided to the Bank at a term within which the Bank is capable to forward the documents necessary for the utilisation of the bank guarantee to the issuing credit institution.

## 2. Bills of exchange

- 2.1. The security bearing the formal requirement according to Decree 1/1965. (I.24.) of the Ministry of Justice is to be qualified as bill of exchange.
- 2.2. The Bank accepts and discounts only such bills of exchange which meet formally and in their content the prevailing statutory provisions, are intact and clearly legible and the place of payment performance is the Bank or another credit institution.
- 2.3. The Bank takes over bills of exchange for discounting according the present and the Business Conditions for Corporate Customers and based on its own business decision. Besides the conditions under point 2.2., further conditions for the bill of exchange to be discounted is the signature of the assignment declaration in the way recorded at the Bank, in case of foreign bill of exchange the declaration of acceptance of the addressee and, in the case of international bill of exchange, the bank aval (collateral acceptance) undertaken for the addressee. The confirmation thereof is also accepted by the Bank in the form of coded (authenticated) messages. The Bank shall charge the costs of the discounting of bill of exchange in conformity with the List of Conditions and the individual agreement.
- 2.4. If the bill of exchange discounted by the Bank is not paid upon presentation, the Bank is entitled to charge the Customer ordering the discounting with its claims arising from the payment or its claim of refund. The Customer shall refund the payment of the Bank effected on the basis of the declaration of acceptance or confirmed in another way. If not agreed otherwise, the aforementioned obligation of the Customer falling due immediately, provided that the bill of exchange has expired. The Bank is entitled to recharge before expiry the discounted bills of exchange in the following cases:
  - a) according the judgement of the Bank, the economic situation of the Customer, the addressee of the bill of exchange or the drawee has deteriorated to such extent that it endangers the fulfilment of the payment obligation.
  - b) the Bank did not receive the necessary information regarding the payment obligor of the bill of exchange in order to check its creditability, or
  - c) the payment obligor of the bill of exchange has announced objections against another bill of exchange or other obligations.
- 2.5. the Bank shall return the invalid bill of exchange to the Customer if the counter value thereof has been fully paid.

### III. THE BANK'S RIGHT TO UNILATERALLY MODIFY AGREEMENTS REGARDING FINANCIAL AND SUPPLEMENTARY FINANCIAL SERVICES, OTHER THAN CONTRACTS PERTAINING TO THE CREDIT TRANSACTION

The Bank reserves the right to unilaterally modify the interests, fees and costs, and any other contractual conditions, even if unfavourable for the Customer, to reflect any change in money and capital market conditions, legislation and administrative requirements or the Bank's business policies, and to unilaterally amend its List of Conditions upon the launching of any new services. Such modifications and amendments shall also apply to contracts already signed as of their effective dates. The Bank shall inform the Customer of the unfavourable modification of the interests, fees and costs of the agreement at least 15 days prior to the effective date of the unfavourable modification, by means of the Announcement, and in case of electronic commercial services provision, also by electronic means continuously and easily available for the Customer; in the event that a Framework Agreement for payment services of a micro enterprise Customer is modified, written notification thereof shall be given to the Customer two months prior to the effective date of the modification.

### IV. VALIDITY OF THE BUSINESS CONDITIONS

Where the agreement or any other document concluded between the Bank and Customer refers to the Business Regulations on Account Keeping, Business regulations on Deposits or Business Regulations on Credit Extension, it shall mean the present Business Conditions or the General Terms and Conditions of the Bank.

The provisions of the present Business Conditions shall come into force on the 01st May 2013 in respect of micro enterprise Customers and on the 15<sup>th</sup> of March in respect of other entities for an indefinite period of time. In case of discrepancy between the Hungarian text of this Business Conditions and the present English text, the Hungarian version shall prevail.

Budapest, 01. 03. 2013.

UniCredit Bank Hungary Zrt.

Üdvözöljük bankunkban!



**UniCredit Bank**