



**UNICREDIT BANK HUNGARY ZRT.**

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**GENERAL TERMS AND CONDITIONS**

**IN FACTORING RELATIONSHIPS WITH RECOURSE**

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## 1. DEFINITIONS

- 1.1 The capitalized words and expressions listed below have the following meanings during the interpretation of the present General Contracting Terms no matter what tense or grammatical form they are used

**“Advance Payment”** means the first purchase price portion of the Receivables which will be paid by the Bank to the Obligor simultaneously with the purchase of the Receivable.

**“Authorisation Letter”** means the statement made by the Client in the form determined in Appendix 2 to the GTC and confirmed by the account-holding credit institution, in which the Client authorises the Bank to enforce any of its receivables from the Client along with the related auxiliary costs in respect of any transaction, within 8 days after the lack of success of the payment order sent to the Client, according to NBH Decree No. 18/2009 (VIII.6.) on The Arrangement of Money Circulation, against any of the Client's bank accounts held at any financial institution, with a collection order, whereby the account-manager is authorised to fulfil such a collection orders.

**“Bank”** means the UniCredit Bank Hungary Zrt-t (seat: 1054 Budapest, Szabadság tér 5-6.; Licence Number: I-1400/2001), providing factoring services to the Client, in accordance with the terms and conditions determined in the present GTC..

**“Banking Days”** means every day on which financial institutes in Budapest are open and available for general business purposes. In case of payments or financial settlements in EUR means the day on which payments in EUR can be settled via the Trans-European Automated Real-time Gross Settlement Express Transfer System. In case of payments or financial settlements in other foreign currencies means the day on which the financial institutes of the country of the determined foreign currency are open and available for general business purposes. In the present GTC the days named as working days should be interpreted as banking days.

**“BUBOR”** means the Budapest Interbank Offered Rate. According to the BUBOR Regulations, BUBOR means the annual interest rate calculated for interbank HUF loans in respect of each Interest Rate Period or interest-bearing period which is set by the National Bank of Hungary in respect of the given Interest Rate Period on the day when the transactional interest rate is established, and is also published on the “BUBOR” site of the Reuters' Monitor. In the event of its cessation or temporary suspension, the Bank's unilateral announcement applies in respect of the extent of the transactional interest rate.

**“Buyer”** refers to the obligor of the Receivables included in the Invoice issued for the delivery of goods or the provision of services, purchased by the Bank from the Client, where such Invoice is payable in arrears.

**“Buyer's Limit”** means the maximum gross amount of the Receivables by the Client to be received from a Buyer, which can be purchased by the Bank according to the Factoring Agreements.

**“CBT”** stands for the **Bank's Corporate and Local Government Business Terms**, which includes the special conditions for the transactions concluded by the Bank and its Clients which qualify as economic entities (.).

**“Client”** means the private entrepreneur (hereinafter: PE), legal entity, economic association without any legal entity or another organisation for whom/which the Bank provides financial services and who/which turns to the Bank with a request for financial services, and who/which undertakes an obligation towards the Bank as a security for the Client's contractual performance.

**“Client's Current Account”** means the Client's cash flow account defined in the Factoring Agreement, to which the positive balance due to the Client from the Factoring Settlement Account will be paid according to this GTC.

“**Client’s Limit**” means the aggregate maximum value of the Advances that can be provided by the Bank to the given Client based on all the Factoring Agreements, and that prevails towards all Buyers simultaneously, i.e. it is the highest amount of the financing risk undertaken by the Bank.

“**Collateral**” means the collateral provided by the Client or any third party which provides collateral for the fulfilment of the Client’s obligations derived from the Factoring Agreement, where such items of collateral are listed in the Factoring Agreement.

“**Default Interest**” means the default interest defined in the Factoring Agreement as per Section 10.3 of the GTC, which the Bank is entitled to charge after the receivables financed for the Client after the end of the Grace Period.

“**EURIBOR**” means the interest rate, expressed as an annual percentage, for each Interest Rate Period and interest-bearing period, registered at 11.00 a.m. (Brussels time) on the day when the interest rate for the given period is defined, two days before the given Interest Rate Period, on the EURIBOR site of the Reuters terminal, in respect of EUR deposits placed for a term that is equal to the given Interest Rate Period or interest-bearing period or that is the closest to these.

“**Factoring Agreement**” means the agreement that is concluded by the Bank and the Client, based on the GBC, CBT and GTC as the underlying regulations, which, as a framework contract, includes the special rules of the factoring relationship.

“**Factoring Settlement Account**” means the technical settlement account that was opened at the Bank for the Client, as defined in the Factoring Agreement, which serves as a place of settlement for the Clients/Obligors, or where the payment obligations from the factoring relationship are accounted for (deducted, offset or paid) according to this GTC. The prevailing balance of the Factoring Settlement Account serves as security deposit for the existing and future claims of the Bank against the Client under any Factoring Agreement made between them. The Client has no right of disposal over the Factoring Settlement Account.

“**General Terms and Conditions**” or „**GTC**” means the General Terms and Conditions of the present factoring relationship with recourse.

“**GBC**” means the **General Business Conditions** of the UniCredit Bank Hungary Zrt., which contain the general terms of the legal transactions concluded by UniCredit Bank Hungary Zrt. and its Clients, which have been approved by the relevant authority, where the provisions of such regulations apply for issues that are not included in the special business rules for specific types of transactions, the General Terms and Conditions and the Factoring Agreement.

“**Grace Period**” means the period starting on the due date of the Invoice granted by the Bank in which - according to the Bank’s discretionary decision – the Bank does not validate late payment interest, and does not validate its right to rescind of the financing; in case if there is no explicit stipulation in the Factoring Agreement regarding the Grace Period, the provisions of the Grace Period can not apply.

“**Hpt.**” means the Act CXII of 1996 on credit and financing institutes.

“**Invoice**” means the invoice issued to the Buyer during the Client’s normal course of business and embodying the Receivables, which will be purchased by the Bank.

“**List of Conditions**” means the document which was defined in the GTC and which includes the costs, fees and other conditions of the services provided by the Bank.

„**Notice Letter**” means the notification due to the formula set out in Appendix 1 of the GTC in which the Client informs the Buyer/Obligor that the extant claim(s) and receivable(s) against the Buyer had been assigned to the Bank.

“**Obligor**” means the person obliged to make payments in respect of the Client’s Receivables.

“**Ptk.**” stands for Act V of 2013 on the Civil Code.

“**Penalty Interest**” is the penalty interest rate set out in Section 10.8 of the GTC and defined in the Factoring Agreement, which the Bank is entitled to charge for any overdue fee and interest rate debt.

“**Receivables**” mean the Client’s receivables from the Obligor or any third party which (i) are from the delivery of goods or the provision of services to be paid in arrears based on an Invoice, or (ii) will become due or paid in the future and are transferable, and are based on a contract or a decree from an authority or a court, or any legal regulations, in respect of which the Bank performs factoring activities.

“**Receivables with Uncertain Status**” relates to cases when the Client or Obligor does not pay the Invoice on the due date and the Bank records the Receivables under “Receivables with Uncertain Status” for the period between the end of the Grace Period and the date of payment.

„**Stringent Declaration**” means the declaration of the Buyer/Obligor due to the formula set out in Appendix 2 in which the Buyer declares to pay the amount determined in the Invoice on the due date exclusively to the Bank without validating counterclaims and neither raise claims of any kind in relation to the Receivable, and takes the obligation to fulfill its paying obligation according to the settled rank in case of late, partial or non-payment..

“**Transactional Interest Rate**” means the transactional interest rate, which changes on a daily basis, as per Section 10.2 of the GTC and the Factoring Agreement. It must be paid by the Client after the amount of the Advance, due to the pre-financing of the first purchase price portion of the Receivables.

“**VAT**” means the value-added tax defined in the currently valid legal regulations.

- 1.2 In the present GTC the capitalized words and expressions which were not defined in 1.1. have the meaning determined in the **General Business Conditions** (hereinafter: „**GBC**”) of the BANK.
- 1.3 In the interpretation of the present GTC the numbering of the sections and articles can be served only for reference and – unless otherwise provided by the present GTC – shall be taken into consideration exclusively in the collective interpretation of the GTC, CBT and the Factoring Agreement.

## 2. **SCOPE OF THE UTILIZATION OF THE GENERAL CONTRACTING TERMS**

- 2.1 All the rules for the provision of financial services between the Bank and the Client are included in the GBC, the CBT, the GTC and the Factoring Agreement.
- 2.2 The present GTC, the GBC and the CBT contain the general conditions of the factoring with recourse provided by the Bank, together with the rights and obligations of the parties - meaning the Bank and the Client - in the factoring relationship.
- 2.3 The factoring relationship between the Bank and the Client is made by the signing of the Factoring Agreement as a factoring framework agreement. The Factoring Agreement concluded according to the present GTC contains the special rules of the factoring relationship with recourse made between the Bank and the Client. The GBC, the CBT, the present GTC and the Factoring Agreement made on the basis of these rules contain together the totality of the rules regarding the factoring with recourse relationship, the interpretation of the content of these documents shall be joint, and the relation of the documents shall be considered as general – special. Should there be a contradiction between the texts of the GBC, the CBT, this GTC and the Factoring Agreement concluded based on these, the provisions of the Factoring Agreement will have priority followed by the GTC, the CBT and the GBC, in this order. This GTC, the CBT and the GBC shall apply, in this order, for all issues not regulated in legal regulations or the Factoring Agreement.

### **3. CONCLUSION OF THE FACTORING AGREEMENT, ACCEPTANCE OF THE GTC BY THE CLIENT**

- 3.1 During their identification, the Client is obliged to make a written declaration to the Bank to the effect of whether they are proceeding in their own name and/or interest, or in that of the actual owner. If, during the contractual relationship, any doubt arises regarding the identity of the actual owner, the Bank will call on the Client to make a repeated written statement regarding the identity of the actual owner. If the Client or the actual owner's data cannot be established or obtained during the identification procedure, the Bank shall reject the establishment of the business relationship, the business engagement or the performance of further transactional engagements. The Client expressly acknowledges that, during the contractual relationship, they are obliged to notify the Bank in writing of any changes in the data provided in respect of the person of the actual owner during the Client identification procedure within 5 days following the learning of such information.
- 3.2 A written form or one in electronic format with a qualified electronic signature is needed in order to validate the contract concluded by the Bank for the factoring services, or of the transaction that implies risk assumption in any other way in respect of the factoring services. Upon the establishment of the contractual relationship, the Bank will give an original copy of the Factoring Agreement and the collateral agreements to the Client. Parallel to signing the Factoring Agreement, the Bank hands over this GTC, the GBC and the CBT to the Client. By signing the Factoring Agreement, the Client acknowledges the receipt of the GTC, the GBC and the CBT and, expressly accepts the provisions of the GTC, the GBC and the CBT.

### **4. THE SUBJECT OF THE FACTORING RELATIONSHIP**

- 4.1 The Bank under the conditions set out in the GBC and the CBT, the present GTC and the Factoring Agreement carries out the following activities - , unless otherwise stipulated in the Faktoring Agreement - in relation to the Client's claims against the determined Buyers/Obligors:
- (a) Acquisition of the Receivables by the means of assignment with or without Advance Payment;
  - (b) registry and administration of the claims;
  - (c) collection of the claims
- 4.2 In the factoring relationship with recourse the Bank under the conditions set out in the GBC, CBT, the present GTC and the Factoring Agreement acquires the extant and future Receivables of the Client towards the Buyer/Obligor determined in the Factoring Agreement by assignment of such Receivables at a discounted purchase price, obtaining all the existing rights and collaterals regarding to the Receivables and services on which the Receivables are based. In case if the Buyer/Obligor would not accomplish its payment obligation, the Bank – upon its decision – may choose between the following possibilities (i) the Bank shall reassign the Receivable to the Client (ii) the Bank may rescind the factoring.

### **5. RIGHTS AND OBLIGATIONS OF THE PARTIES**

#### **5.1 Right and Obligations of the Bank**

##### **5.1.1 In terms of the assigned invoiced Receivables the Bank**

- (a) keeps a registration of the Invoices, payments, debits and Receivables;
- (b) ensures - if it is necessary - that the notifications calling for payment regarding the Receivables are sent out;
- (c) continuously examines in the electronic Bank information system if a liquidation or dissolution process is initiating against the Hungary-seated Buyer;
- (d) if in a literally way takes the charge, or unilaterally decides so act to liaise with the Buyer/Obligor for the purpose of collecting the Receivables.

##### **5.1.2 The Bank's obligation does not include the task to examine the reclamations in relation to the accomplishment of the Client towards the Buyer/Obligor.**

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## 5.2 Obligations of the Client

- 5.2.1 If the Receivable is based on a supply or service contract the Client is obligated to prove the accomplishment of the supply or the services by the following documents:
- (a) documentary proof adequately verifying the delivery of goods (e.g.: consignment note);
  - (b) documentary proof of the emergence of the underlying deal (e.g. delivery, sale-purchase contract etc.);
  - (c) documentary proof adequately verifying the contractual performance of the underlying deal (receipt note, performance record, hand over–take over record, etc);
  - (d) original or copy sample of the Invoice;
  - (e) other documents of proof requested by Bank before the due date of delivery.
- 5.2.2 If the Receivables are derived from a contract, from a claim or another event based on a legal regulation or an authorisation or judicial decree, the Client shall verify the existence, enforceability, legality and justifiability of the Receivables with the specified and acceptable documents, at the Bank's request.
- 5.2.3 The handover of the documents listed in points 5.2.1-5.2.2 in one original copy shall be done by personal handling or postal delivery. The Client may send the mentioned documents to the Bank via fax or email, bearing all the responsibility and risk in this regard. If the documents were sent via fax or email to the Bank, the Bank may consider real the content of these documents, and also legally acceptable the signature of the signers of the documents. The Bank considers authentic and sent by the Client all the papers, documents and consignments received from the fax number or email address determined by the Client in the Factoring Agreement, and excludes all the responsibility regarding the unrightful posting and the false content of the documents. Upon the Bank's request the Client is obligated to handover in original the documents sent via fax or email, and the Bank may suspend its activities until the examination of the original documents.
- 5.2.4 The Client is obligated to inform the Bank - previously in writing – about any agreements concluded with the Buyer/Obligor which may have effect on the factoring relationship. The Client shall fulfill its obligations towards the Buyer/Obligor in such way, which may not violate the existence and possible validation of the Receivable.
- 5.2.5 Upon the request of Bank, the Client shall be obligated to forward the original delivery documents and/or insurance policy through Bank or to hand these over to Bank.
- 5.2.6 The Client shall be obliged to provide the Bank continuously all financial and other information related to the creditworthiness of the Client and related to the Buyer all such information available to the Client for all deals. The Client is expressly obligated to inform Bank if direct or indirect mutuality, relation or concentration of enterprises exists between the Client and the Buyer/Obligor with regards to ownership, management and administration.
- 5.2.7 The Client is obligated to perform its activities with the same financial conditions towards every Buyer which is under the scope of Buyer's Limit. For the modification of the financial conditions the written approval of the Bank is necessary.
- 5.2.8 In relation to the Buyers under the scope of the Buyer's Limit determined in the Factoring Agreement the Client shall handover all the Receivable to the Bank for factoring and collecting, until the Bank's distinct written notification.
- 5.2.9 The Client is obliged to provide the Bank information continuously during the effectiveness of the Factoring Agreement as defined in Article 20.4. of the present GTC. acknowledges that its obligation determined in point (b) of article 5.1.1. above to inform the Bank is valid in relation to all Buyers seated abroad or inland, and neither in



case of Hungary-seated Buyers can the Client exclude its liability for the damages incurred relative the absence of the obligation to inform or it shall not relief the Client from the legal consequences of the breach of the Factoring Agreement. By signing the Factoring Agreement, the Client expressly acknowledges that violation of its obligation to provide information qualifies as a serious breach of contract which entails the immediate termination of the Factoring Agreement by the Bank. The Client has full liability for any damages caused by its breach of its obligation to provide information.

## **6. INITIATION AND PROGRESS OF THE FACTORING ACTIVITY**

6.1 Contracting Parties establish that by signing of the Factoring agreement a factoring relationship will take place, where the Client as an assignor assigns to the Bank as an assignee all of its Receivables arising from its contract with the Buyer/Obligor. The factoring will take place in the following major steps:

6.1.1 The Client accomplishes towards the Buyer, as per the terms and conditions of their legal relationship, and invoices out the respective receivable.

6.1.2 The Buyer, as per the terms and conditions of their legal relationship with the Client, verifies the contractual performance in a separate documented form (e.g. in a performance certificate)

6.1.3 The Client shall send the copy of the following documents to the Bank:

- (a) the Invoice issued for the Receivables, or in the case of several invoices, the summary of the Invoices submitted for factoring;
- (b) documents evidencing the existence of the Receivable;
- (c) the document signed by the Buyer and verifying contractual performance.

The Parties and the Client understand that the summary of the Invoices indicated in point (a) above means a cover page with tables prepared for each invoice package sent for factoring, which contains a clear list of the numbers and totals of the Invoices in the given package.

6.2 The precedent conditions of commencing the factoring or making any payments here under shall be

- (a) that the Client assigned the Receivable to the Bank according to the rules of assignment;
- (b) that the Client handed over to the Bank all documents listed in clause 6.1. above;
- (c) that the client handed over to the Bank the Notice Letter with the Buyer/Obligor's clause;
- (d) that all the security documents have been validly existed and the Client handed over all the requested valid security documents and collaterals to the Bank.

6.3 The Bank accepts only Invoices for factoring which indicate expiry date defined in the Factoring Agreement. In case of submission of an Invoice indicating longer expiry date as determined in the Factoring Agreement the Bank is entitled to rescind of the finance of the respective Invoice.

6.4 The Bank - regardless of the fulfillment of the above written conditions - may reject the transfer and finance the Receivables as in point 7 or to provide Advance Payment as in point 10 in case of the emergence of relevant changes in the circumstances of the Bank or the Client after the conclusion of the Factoring Agreement, which disables the fulfillment of the Factoring Agreement, and furthermore in case of the emergence of circumstances which enables to Bank to terminate the Factoring Agreement with immediate effect.

6.5 If the Client according to the Factoring Agreement entitles the Bank to validate prompt collection orders against the Client, than the Client is obligated to handle over Authorization Letters - approved by the accounting bank - in relation to all of its bank accounts existing by



the time of the conclusion of the contract. The handover of the original copy of the Authorization Letter is a precondition of the stepping into force of the Factoring Agreement and like this the initiation of the financing. During to force of the Factoring Agreement and until the date of the final settlement of the Bank and the Client according to the Factoring Agreement, if the Client opens a new bank account it is obligated to handover without delay the related Authorization Letter to the Bank. The breach of the obligations of the present point by the Client implicates the right of the Bank to terminate the Factoring Agreement with immediate effect.

## **7. TRANSFER AND FINANCING OF RECEIVABLES**

- 7.1 The Parties agree that - from the date of signing of the Factoring Agreement - the Client shall assign to the Bank any and all invoiced Receivables against the Buyer/Obligor as factoring. By this assignment the Bank shall replace the Client in the position of the beneficiary of the respective Receivable.
- 7.2 The transfer of the Receivables and the ownership right takes place with the transfer of the documents specified in Section 6.1 above to the Bank or paying an Advance as per Section 10 if the Bank provides an Advance. By signing the Factoring Agreement, the Client acknowledges that the ownership right for Receivables free from litigation, encumbrances and claims is transferred to the Bank before the payment of the full amount financed (hereinafter: purchase price). The Client authorises the Bank to exercise all owner's partial rights necessary for the enforcement of demands in respect of the assigned Receivables from the date when the ownership right was transferred.
- 7.3 The Client must indicate the Factoring Settlement Account, defined in the Factoring Agreement as the place of performance, on the Invoice that serves as a basis for the Receivables, and also direct all cash flows related to all the transferred Receivables to this technical account. By signing the Factoring Agreement, the Client expressly acknowledges that the Bank is entitled to enforce the fees, interest rates, costs and other receivables due to it based on the Factoring Agreement to the debit of the current balance on the Factoring Settlement Account by offsetting, provided that the offsetting right defined in this Section does not affect and limit the Bank's offsetting right as per Section 12.12-12.5 of the GBC against any other account of the Client held at the Bank, including the Client's Current Account held at the Bank. The Client's settlements credited to the Factoring Settlement Account serve as the basis for the Factoring Agreement, thus their withdrawal for any purposes or in any form violates Section 297 of the Criminal Code. . The prevailing balance of the Factoring Settlement Account serves as security deposit for the existing and future claims of the Bank against the Client under any Factoring Agreement made between them. The Client has no right of disposal over the Factoring Settlement Account.
- 7.4 After the assignment of the invoiced Receivables, the Client shall be obligated to remove the invoiced receivables from its accounting registration, or to indicate the fact of the assignment there.
- 7.5. By signing the Factoring Agreement, the Client expressly acknowledges that the Buyer may only enforce the Buyer's complaints derived from the transferred Receivables or the underlying legal relationship (between the Buyer and the Client) that serves as a basis for this against the Client exclusively and, in respect of the transferred Receivables, only the Client is obliged to fulfil any guarantee or warranty obligations in respect of the transferred Receivables. The Client shall inform the Buyer of the obligations set out in this Section in the Notification Letter.
- 7.6 If the Factoring Agreement provides so, or in the event of its unilateral decision, the Bank may reject the factoring activity until the Buyer signs the Stringent Declaration, or if the Buyer does not undertake in writing that (i) it will only fulfil its obligations existing based on the Receivables with a transfer to the Factoring Settlement Account; (ii) the Buyer's complaints derived from the transferred Receivables and the underlying legal relationship (between the Buyer and the Client) that serves as a basis for this can only be enforced against the Client; (iii) the total, due

date, performance date and place of performance of the individual Receivables can only be modified with the Bank's consent.

- 7.7 Up to the amount of the purchase price payable by Bank, the Client shall warrant and guarantee that:
- (a) The receivables are assignable, there is no agreement between the Client and the Buyer which would exclude the transfer of the Receivable, and the activity or delivery of goods constituting the ground of issuing the particular invoice has entirely been completed;
  - (b) All invoiced receivables purchased by the Bank are connected to an actual sale-purchase and goods delivery or rendering of services made in goodwill within the Client's ordinary scope of activities
  - (c) The payment conditions do not contain – and in the future neither will contain - any such payment methods that relate to letters of credit, documentary collection, SWIFT funds transfer, cheques, drafts or cash payment;
  - (d) Neither the Buyer nor any third party is entitled to assert a counter-claim, contest, offset, warranty, guarantee or any other remonstrance, against the invoiced Receivables assigned, neither related to the receivable(s) under this contract or any other deals beyond that/those;
  - (e) With regards to the invoiced Receivables, or to the underlying contracts, and to the fulfillment of its obligations undertaken in the contracts there is no such remonstrance, complaint or intention for the enforcement of claims that may hinder the payment of the Invoiced Receivables in due time or may provide a basis for set-off, deduction or withholding against those;
  - (f) The underlying deal of the receivables has been carried out in line with the pertaining legal regulations;
  - (g) It offers all of its invoiced receivables outstanding from the Buyer for collection only to Bank, and immediately notifies Bank about all essential particulars affecting the Receivables as long as Bank is the risk-bearer;
  - (h) It fulfills its obligations outstanding to each Buyer/Obligor indicated in the Factoring Agreement with such care or provides such services that it would not endanger the payment of the Invoiced receivables even to the least;
  - (i) The payment conditions are identical to those it provided to Bank;
  - (j) No direct or indirect mutuality, relation or concentration of enterprises exists between the Client and the Buyer with regards to ownership, management and administration;
  - (k) The invoice has been issued in accordance with the relevant accounting laws and furthermore that the amount indicated in the Invoice is equal to those in the declaration of the Buyer acknowledging the performance of the goods or the services.

## 8. **RECOURSE**

- 8.1 The Bank undertakes the provision of the factoring services determined in the present GTC and the Factoring Agreement with recourse assumed by the Client.
- 8.2 In order to the recourse the Bank by its discretionary unilateral declaration may rescind the purchase of the Receivable, in case Grace Period is due, or at latest if within fifteen days counted from its due date the Receivable it is not settled totally.
- 8.3 The Client, also as a joint and several debtor, is responsible for the payment by the Obligor of the receivable transferred to the Bank. Regardless of the joint and several guarantee, in the case determined in point 8.2 meaning the rescission of the Bank, the Receivable shall be

transferred back to the Client, who is obligated to repurchase it for the original purchase price. Simultaneously with the repurchase of the Receivable the Client is obligated to pay the costs of the factoring, especially the factor fee and the interest of the Advance Payment to the Bank. The Client expressly acknowledges that in case of the repurchase of the Receivable according to the present point the Client shall not be able to validate any claims of indemnification or any other claim embodied in payment of the Bank .

**9. THE AMOUNT FINANCED (THE PURCHASE PRICE OF THE RECEIVABLE)**

- 9.1 The purchase price of the Receivable - if the Factoring Agreement does not stipulate otherwise - equals to the paid gross amount of the Invoice, or to the gross amount indicated in the receipt, contract or law regulation which constitutes the basis of the Receivable.
- 9.2 The Bank will pay the purchase price of the Receivables to the Client in the way, on the day and in the instalments as defined below in Sections 10-11.

**10. ADVANCE PAYMENT**

- 10.1 According to the Bank's own discretion, and if all the conditions that were defined in the Factoring Agreements concluded with the Client are fulfilled, the Bank will provide an Advance for the Client up to the extent of the receivables due from the Buyers and/or the Obligors, as both defined in the Factoring Agreement(s), but up to the Buyer's Limit by Buyer, and up to the Client's Limit in total. With the advance, the Bank will disburse the first instalment of the purchased receivable, as defined in the Factoring Agreement, prior to the due date of the Invoice, to the Factoring Settlement Account. The Bank is entitled to decrease the Buyer's Limit by a unilateral declaration. In the event of any modification of the Client's Limit initiated by the Client, the Client has to pay the fee that was defined in the Factoring Agreement to the Bank.
- 10.2 The Bank charges a deal interest for the amount of the Advance Payment, the rate of which is specified in the Factoring Agreement. The Bank is entitled to modify the rate of the deal interest unilaterally, should the conditions specified in the GBC, the present GTC,CBT and the Factoring Agreement prevail, with the simultaneous notification of Client. The interest charged for the amount of the Advance Payment is calculated based on the BUBOR or (EURIBOR, USDLIBOR, ROBOR, CHFLIBOR) reference interest rate according to those set forth in the Factoring Agreement. The rate of BUBOR or (EURIBOR; USDLIBOR, ROBOR, CHFLIBOR) is daily variable and shall amount to the reference interest rate (BUBOR/EURIBOR; USDLIBOR, ROBOR, CHFLIBOR) valid on the given day, published two banking days before, referring to the period stipulated in the factoring agreement, while on non-business days it is the reference rate valid for the banking day before. The interest is calculated on a daily basis after the amount of the advances and due on the last Banking Day of the subject month, or at the day of the accomplishment of the purchase price of the Receivable.
- 10.3 If the amount of the Invoice is not paid by the Buyer/Obligor by the expiry of the Grace Period at the latest and a debit balance shows up on the Factoring Settlement Account, and, by offsetting it, the Bank is not able to enforce its receivables by withdrawing the Advance or deducting its other fees and costs, after the expiry of the Grace Period, the Bank will then be entitled to charge Default Interest, as defined in the Factoring Agreement, to the Client. If the balance of the Factoring Settlement Account provides only partial coverage for the Client's debts, the Default Interest will be charged by the Bank up to the extent of the outstanding amount that cannot be enforced against the Factoring Settlement Account. The Default Interest as per this Section is calculated on a daily basis and will fall due when the balance of the Factoring Settlement Account becomes positive. If, in the balance of the Client's Factoring Settlement Account, a debt to the Bank derived from any of the Factoring Agreements appears for any other reason, the Bank is entitled to enforce the Collateral that was defined in any of the Factoring Agreements as well as to take the steps that are necessary to enforce the demands that are derived from the Receivables.
- 10.4 The Bank will review the conditions of the Advance payment from time to time in the light of the refinancing conditions, the circumstances of the money market and the potential measures of the central bank and, depending on any decrease, changes in the economic conditions or legal status of the Client or the Buyer and the industrial situation. The Client expressly acknowledges

that the result of the review described above can be a reason for the Bank to modify the interest rates and fees unilaterally in a way that is detrimental to the Client according to Section 210 of the Hpt., therefore the Client expressly recognises the Bank's right for a unilateral interest rate and fee modification as a result of the Bank's aforementioned review. The Bank, in cases described in section I.7.2. of the CBT, shall notify the Client, at least 15 (fifteen) days before the modification enters into force, of the unilateral interest rate and fee modifications that are disadvantageous to the Client, by way of an announcement. If, as a result of the special review concerning the Client, the Bank exercises any of its rights under Section 10.5 and 10.7, it shall notify the Client and later, during the fulfilment of the Factoring Agreement, it will act according to the decisions made as a result of the review. The modified fee and interest rate are always valid from the date indicated in the List of Conditions and the written notification sent to the Client, for the total extent of the outstanding amount with regard to the interest rate.

- 10.5 Based on (i) point 10.4 (ii), if there is a debt on the balance of the Factoring Settlement Account, (iii) the Client breaches any of its Factoring Agreements with the Bank, and (iv) by the review of the documents that serve as a basis for the Receivables, and (v) in the event of the Buyer's non-payment or partial payment, after the end of the Grace Period, the Bank will be entitled (a) to reject without justification the Client's request for advances, (b) to withdraw its promise of Advances in respect of certain Receivables with its discretionary decision, (c) to refrain from factoring with regard to any of the Receivables and to demand the paid Advance back, i.e. to re-charge it to the Client's Factoring Settlement Account or to enforce the Advance by offsetting. In the above cases, the Bank is entitled to (i) demand the Advance that was withdrawn but had been made available for the Client previously, or (ii) to re-charge the Advance and the receivables as per the Factoring Agreement and the GTC to the Client on the Factoring Settlement Account, or to offset the Advance against the portion of the full purchase price received from the other Receivables purchased by the Bank, based on any of the Factoring Agreements, that is payable to the Client, as a counter-value of the Receivables, thus decreasing the balance on the Factoring Settlement Account. If the Bank decides to demand the Advance back, the Bank is entitled to enforce any of its receivables that are due based on the Factoring Agreement through a collection order, thus exercising its rights set out in the Authorisation Letter. The Bank's offsetting right defined in this point does not affect or limit the Bank's offsetting right as per Sections 12.12-12.5 of the GBC against any other accounts of the Client held at the Bank, including the Client's Current Account held at the Bank.
- 10.6 If a Buyer's Limit or Credit Limit set for a given Client is terminated, the Bank does not provide an Advance for the Invoices transferred after the date of the termination or issued to the Buyers, ; however, the Client shall transfer all of its Invoices that are related to the given Buyer to the Bank while there is a debt outstanding on the balance of the Factoring Settlement Account or while there is a Receivable that was purchased and advanced by the Bank but which has not yet been paid.
- 10.7 If the receivables due from defined Buyers fall below the Advance disbursed based on any of the Factoring Agreements, the Bank is entitled to the direct settlement of the difference or for its offsetting against the portion of the purchase price received from the Client's other Receivables purchased by the Bank, based on any other Factoring Agreement that is payable to the Client. If, in respect of a given Receivable or Buyer/Obligor, based on any Factoring Agreement, the amount of the paid Advance and the interest rate exceeds the amount of the Receivable recognised by the given Buyer/Obligor, the Bank is entitled to demand back the Advance paid and its interest and enforce these by exercising its offsetting right as per Section 10 herein.
- 10.8 The Bank is entitled to charge Penalty Interest against the Client for the expired and unpaid fee and interest debts of the Client. The extent of the Penalty Interest is included in the Factoring Agreement. The Penalty Interest as per this Section is calculated on a daily basis and will fall due when the balance of the Factoring Settlement Account becomes positive.
- 11. COMPLETION OF PAYMENTS AND SETTLEMENT OF THE PURCHASE PRICE**
- 11.1 The Bank will pay the purchase price of the Receivables (in the case of an Advance, the amount of the Advance as the first instalment, and the remaining amount as the second and

last portion of the purchase price) to the Client's Factoring Settlement Account indicated in the Factoring Agreement after the enforcement and deduction of the fees, interest rates, costs and receivables due to it under other titles, as defined in this GTC and the Factoring Agreement, by offsetting, provided that the positive balance of the Factoring Settlement Account is transferred to the Client's Current Account on each Banking Day. By signing the Factoring Agreement, the Client acknowledges that the Bank is entitled to enforce any fees, interest rates, costs and receivables due under other titles and defined in the GBC, the CBT, and any GTC that applies to the Client and is used by the Bank, or any Factoring Agreement that was concluded with the Client, on the Factoring Settlement Account by offsetting against the purchase price, or in the case of an Advance, with the first portion of the purchase price i.e. against the Advance, parallel to paying these. The Bank's offsetting right does not affect or limit the Bank's offsetting right as per Sections 12.12-12.5 of the GBC against any other accounts of the Client held at the Bank, including the Client's Current Account held at the Bank. With regard to an Advance, the Bank will pay the first portion of the purchase price to the Factoring Settlement Account when all the conditions defined in this GTC and the Factoring Agreement are fulfilled. The Bank will deduct the factoring fee from the Advance along with the other receivables that can be deducted or offset by the Bank. The Bank will inform the Client of the title and amount of the deductions in detail. The remaining, second portion of the purchase price will be paid (after the deduction of the fees and costs that were not deducted from the Advance and were included in the GBC, the CBT, any GTC that applies to the Client and is used by the Bank, or all the Factoring Agreements that were concluded with the Client) to the Factoring Settlement Account on the second Banking Day after the receipt of the full gross value of the Receivables by the Bank, provided that the positive balance of the Factoring Settlement Account is transferred to the Client's Current Account on each Banking Day.

- 11.2 When the purchase price falls due, the Bank will deduct the following from the amount of the purchase price that is payable or will debit these to the Factoring Settlement Account to the debit of the purchase price:
- (a) the amount of the Advance that was paid for the Receivables;
  - (b) the interest unpaid on the Advance;
  - (c) the interest unpaid on the Advances granted for other financed Receivables;
  - (d) the unpaid factoring fees that arose and fell due on the day when the purchase price was due;
  - (e) based on Section 10, the Bank's receivables that can be offset against its payment liability to the Client, and the withdrawn Advance;
  - (f) the fees and costs which are due to it based on the GBC, the CBT, any GTC and the Factoring Agreement, and which have not yet been accounted for to the debit of the paid Advance;
  - (g) payment liabilities due to other third parties, which are based on legal regulations or a contract.

The Bank's offsetting right does not affect or limit the Bank's offsetting right as per Sections 12.12-12.5 of the GBC against any other accounts of the Client held at the Bank, including the Client's Current Account held at the Bank.

- 11.3 The Bank shall send a detailed summary of the deductions determined in Section 11.2. to the Client.
- 11.4 If, upon the due date, there is no such amount on the Factoring Settlement Account against which the Bank could enforce or deduct its receivables as per Sections 11.1-11.2, the Bank, according to its choice, then:
- (a) will call on the Client to pay and the Client shall pay the fees according to the request without delay;



- (b) will finance the due amounts according to the conditions set out in Section 10 and will enforce them at the first opportunity, by offsetting.

## 12. ADMINISTRATING AND COLLECTING THE RECEIVABLES

- 12.1 The Client shall be obligated to continuously submit to the Bank the copies of the issued invoices endorsed with a clause, if there are several Invoices, the summary thereof, on a daily basis, plus - in case if the Factoring Agreement stipulates this way or if the Bank prescribes it - the original of the endorsed Stringent Declaration.
- 12.2 The Bank will record the Invoices and after that it will monthly notify the Client of the receivables using the information sheet titled "Factoring Transactions Statement".
- 12.3 If the given Buyer/Obligor does not fulfil its payment obligations by the due date of the Invoice, after the end of the Grace Period (if no Grace Period is stipulated, after the 15<sup>th</sup> day following the due date), the Bank will be entitled to withdraw the Advance, debiting it back to the Factoring Settlement Account and to abandon factoring or to transfer the Receivable back to the Client according to Section 8. In this event, the Client shall pay the Receivable itself or purchase the Receivable back while also paying the other fees and costs that are due based on the Advance or any Factoring Agreement between the Bank and the Client.
- 12.4 The Bank notifies the Client without delay if the Buyer/Obligor refuses to pay. The Bank cooperates with the Client during the validation of the Receivable. The Client is entitled to accomplish instead of the Obligor in any phase of the claim validation. In this case the Bank is obligated to transfer back the Receivable to the Client and return upon request of the Client all the relative documentation.
- 12.5 Regardless of the accomplishment of the due notification of the Buyer according to the Factoring Agreement, the Client receives the amounts paid directly by the Buyer as a representative of the Bank and is obligated to transfer these amounts without delay to the Factoring Settlement Account. The Bank is entitled to name the person or persons authorized for the collection of the Receivables.
- 12.6 The Client is obligated to cooperate during the validation of the Receivables by providing data and handing over relative documents. and to cooperate with the Bank in any other usual way.

## 13. COUNTER VALUE OF THE BANK'S SERVICES

- 13.1 As a counter value of the Bank's services determined in the Factoring Agreement and the present GTC, the Bank is entitled for the below listed fees. The scope and measure of the fees are set in the List of Conditions and the Factoring Agreement.
- (a) **Contract modification fee:** The Bank charges a Contract modification fee to the Client if the modification of the Factoring Agreement or the GTC is not relative the financing or the conditions which are affecting the financing. The Bank collects the contract modification fee on the day of the modification or reduces the amount of the next provided Advance Payment with the amount of the fee.
- (b) **Factoring fee:** The factoring fee is determined in the percentage of the amount of the Client's gross turnover under the scope of the factoring activity. The Factoring fee is due on the day of the assignment of the individual Invoiced receivables or, the day of the purchase of the Receivable, or if there is an Advance payment made, on the day of the Advance payment. The Bank settles the amount of the factoring fee in terms of the (i) size of the turnover planned to realize with the Buyer, (ii) buyer-supplier risks; (iii) number of the Invoices; (iv) measure of the transfers; (v) payment discipline (vi) number of the Buyers; (vii) deadline of the Invoices. Should the fact figures differ from the data taking into consideration on the date of signature of the Factoring agreement provided by the Client and used as the basis of setting the factoring fee, the Bank is entitled to change the factoring fee unilaterally. The Client expressly acknowledges that the diversion in the aforesaid data could be an acceptable reason for the



unfavorable unilateral interest or fee rate modification due to the provisions of article 210 of Hpt. The Client expressly acknowledges the Bank's right to unilateral fee rate modification due to provisions of the present point. Regarding the effectiveness of the modification the provisions of 13.2. shall prevail.

- (c) **Transactional interest rate:** The interest rate defined in Section 10.2 of the GTC.
- (d) **Default interest:** The interest rate defined in Section 10.3 of the GTC.
- (e) **Penalty Interest:** The interest rate defined in Section 10.8 of the GTC.
- (f) **Minimum fee:** If the amount of the factoring fees does not reach the amount that was defined in the Factoring Agreement at an annual level or on a *pro rata temporis* basis, and that served as a basis for the establishment of the conditions of the financing, the difference will be due to the Bank as a minimum fee which will be accounted for by each calendar year.
- (g) **Fee for Buyer's Limit establishment and modification:** The fee for Buyer's Limit establishment and modification is an auxiliary fee in relation to the financing which the Client has to pay to the Bank as a counter-value for the establishment of the Buyer's Limit for Buyers which the Client wishes to include in the Factoring Agreement under the scope of the Factoring Agreement, in addition to the Buyers which were defined in the Factoring Agreement, or for the modification of the Buyer's Limit for Buyers which were included earlier. Such a fee will be collected upon the modification of the Factoring Agreement and the Client pays it against the Invoice that the Bank issued, or the amount will be deducted from the first Advance after the due date or the total purchase price. In the event of the establishment or modification of a Buyer's Limit, the Bank will not charge a contract modification fee.
- (h) **Client's Limit modification fee:** The Client's Limit modification fee is a financing related fee payable by the Client which is the charge for the modification – proposed by the Client - of the Client Limit determined in the Factoring Agreement. The Client's Limit modification fee is collected simultaneously with the modification of the Factoring Agreement by the means of bank transferring according to the issued invoice, or settling it with the amount of the Advance Payment or the totality of the purchase price. The Bank does not charge contract modification fee in case of the modification of the Client's Limit.
- (i) **Commitment fee:** The commitment fee is a financing related fee payable by the Client which is determined in the percentage of the amount of the difference between the Client's Limit and the actually used amount by the Client. The Bank calculates daily and collects on the last banking day of each month the commitment fee. The commitment fee can be paid by bank transfer after the issued invoice, or it is settled with the amount of the Advance Payment or the totality of the purchase price.
- (j) **Banking costs:** The Bank charges for the realization of the banking transactions the costs determined in the Factoring Agreement, which are due on the day of the transaction or it could be settled with the amount of the Advance Payment or the totality of the purchase price. The unilateral modification of the Banking Costs, disadvantageously to the Client, shall be governed by Section III: of the CBT.
- (k) **Record-keeping fee for overdue invoices:** The fee for Receivables with Uncertain Status is an auxiliary fee or cost in relation to the factoring that is payable by the Client, and is charged by the Bank monthly by Invoice for the assigned receivables that became uncertain. The fee for the Receivables with Uncertain Status will either be paid by the Client against the Invoice issued by the Bank, or it will be deducted from the first Advance after the due date or the total purchase price.

- (l) . **Replacement fee for the factoring transactions statement:** If a statement that was requested and received by the Client has to be replaced, the Bank will charge a fee which will become due parallel to the new handing over of the statement. The fee is either transferred after the invoicing or is deducted from the Advance/total purchase price.

13.2 The Bank ties the provision of occasional information to a fee payment, the extent of which is established case by case. In the absence of an agreement on the contrary, the fee will be borne by the party requesting the information. The Bank is entitled to withhold the information until the fee has been paid. The issue of the Factoring Settlement Account statement that is prepared at the intervals set by the Bank on the receivables and cash flows related to the Factoring Agreement is free of charge. The Bank will charge the VAT defined in the currently valid legal regulations for its services provided as a financial institution. The banking costs related to performance based on the Client's order is payable by the Client unless the Factoring Agreement provides otherwise.

#### 14. **GUARANTEE DECLARATIONS OF THE CLIENT**

14.1 The Client by the signing of the Factoring Agreement warrants and guarantees that:

- (a) It is entitled to sign the Factoring – and in case if the guarantees are held by the Client – and the collateral agreements and to fulfill the stipulated obligations;
- (b) The Client was established lawfully according to Hungarian law;
- (c) In case it was necessary had obtained and handled the decisions and authorizations of the managing body of the Client;
- (d) The Factoring Agreement contains obligations which can be validated against the Client;
- (e) The last three year's audited financial statements are appropriate to the accounting regulations of the Hungarian law and its content truly shows the real financial situation and results of the presented period;
- (f) Following the preparation of the financial reports there was no relevant change in its economic, legal or financial situation, or regarding its possibilities to fulfill its contractual obligations set out in the Factoring Agreement;
- (g) Have not committed contractual breaches in their contracts, which may jeopardize the fulfillment of its paying duties towards the Bank according to the Factoring Agreement, and neither have any debts which can be validated like taxation debts;
- (h) Do not violates the stipulations of its Deed of Foundation by the signing of the Factoring Agreement and realizing the activities involved;
- (i) At the time of the conclusion of the Factoring Agreement it is not under any kind of lawsuits or processes which can negatively interfere the fulfillment of the arising obligations towards the Bank;
- (j) It is lawful proprietary of its goods and the materials and rights pertaining its asset - not mentioning here the provided Collateral to the Bank – are free of mortgage and other claims.
- (k) During the term of the Factoring Agreement will not allow a prompt collection order to third persons without the approval of the Bank.

14.2 By the signing of the Factoring Agreement the Client acknowledges that the falseness of any statements stipulated in point 14.1 is considered as a relevant breach of contract by Client and it allows the Bank to terminate the Factoring Agreement with immediate effect.

**15. BREACH OF CONTRACT AND ITS CONSEQUENCIES**

- 15.1 The Bank, in its sole discretion is entitled to (i) suspend the fulfilment of any of its obligations under the Factoring Agreement or the provision of any undertaken services (ii) to reject the request for an Advance Payment or withdraw, or claim back a provided Advance Payment or exercises its set-off right against such Advance Payment (iii) to terminate unilaterally with immediate effect any existing Factoring Agreement, and (iv) to rescind of the assignment of determined Receivables and terminate the Factoring Agreement with immediate effect if any of the following behaviours or circumstances shall emerge:
- (a) upon the due date, the Client fails to pay an amount to the Bank that is due based on the Factoring Agreement and if the Bank is unable to enforce the payable amount by offsetting because there is a debt on the Factoring Settlement Account upon the due date, it also qualifies as a failure to pay;
  - (b) the Client did not or not contractually accomplish any of the obligations derivate from the Factoring Agreement, except the case, when the Bank according to its discretionary decision warned the Client in writing to the fulfillment with a grace period;
  - (c) any non-insignificant liability/guarantee declaration given by the Client, or the information obtained from the Client in relation to its economic, legal or financial situation, or regarding its possibilities to fulfill its contractual obligations prove to be unreal or partial in comparison to the real and actual situation at the time of declaration or of communication; or the Client intentionally misleads the Bank by any manner ;
  - (d) occurrence of circumstances of any kind which may – according to the Bank's reasonable consideration – jeopardize the Client's or the Collateral providing Obligor's economic, legal or financial situation, or their possibilities to fulfill its contractual obligations set out in the Factoring Agreement or the Agreement regarding the Collateral;
  - (e) the Client undertakes a paying obligations which may – according to the Bank's reasonable consideration – jeopardize the accomplishment of its contractual obligations towards the Bank;
  - (f) If liquidation procedure commences against the Client or the Obligor of the given collaterals even within the payment deadline;
  - (g) the Client or the Collateral providing third person commits a contractual breach relative an agreement - besides the Factoring Agreement – which implicates a paying obligation towards the Client or the Collateral providing third person, which may – according to the Bank's reasonable consideration – jeopardize the accomplishment of the Client's contractual obligations towards the Bank or the possibility to validate the Collateral;
  - (h) the Client - without the previous written approval of the Bank – transfers or encumbrances in total or in part its asset (extant or future rights, receivables, claims, benefits, demands, real properties or chattels etc.), not referring to general acquisitions in its normal course of business, and collateral provisions based on legal regulations, in case if these are not jeopardize the accomplishment of the obligations of the Client according to the Factoring Agreement;
  - (i) any of the collateral providing contracts become invalid for any reason, or the possibility of the validation of the incorporated obligations reduces or terminates or the obligations are not accomplished, and the Client do not fulfil its obligation to give a supplemental collateral;
  - (j) the Client is delayed with its tax, duty or other similar payment obligation and did not received a grace period from the authorities, or failed to prove the existence of the grace period to the Bank;

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- (k) the Client commits a non-insignificant contractual breach or breaches a legal regulation relative a commercial-service providing deal or the Factoring Agreement (retrospectively);
  - (l) the contractual performance of the underlying deal between the Client and the Buyer do not realize;
  - (m) a proprietary or other interfering relationship between the Client and the Buyer exists or emerges during the force of the Factoring Agreement;
  - (n) the Client fraud or misdirect the Factor by the means of communicating unreal circumstances, denying data or giving fake declarations;
  - (o) if either the Client or the Buyer is registered as debtor in the Central Debtors Information System;
  - (p) the Client fails to fulfil its obligation to cooperate, to inform, to provide data, especially if fails to handle its balance report to the Bank or to the competent Registry Court; or obstructs the supervision in relation to the Collateral or do not cooperate during the procedures prescribed by the Bank;
  - (q) the Client, its representative, or the Client's majority owner commits serious contractual breach or other false activities against the Bank or other financial institute or investment companies,
  - (r) the Client breaches its contractual obligations set out in a collateral contract or other contract which purpose is the facilitation, acceleration or strengthening the validation of the Receivable; or obstructs or restricts the claim validations based on these contracts; or distract or transfers a collateral without the previous approval of the Bank;
  - (s) the prosecutor made an arraignment against the majority owner, managing director, or other representative of the Client for crimes determined in the Criminal Code of Hungary (especially but not exclusively: crimes against life or property, financial-, or economic crimes and crimes against public trust); or the competent foreign authority prosecuted them for crimes against property or economic crimes which are punishable by Hungarian law;
  - (t) legal disputes arising between persons entitled to represent the Client , or between persons having proprietary rights in the Client or operational disorders occur because of difficulties in the connection with the Client or the impossibility of connection with the Client;
  - (u) in a litigation against the Client a court decision is made which may – according to the Bank's consideration – jeopardize the accomplishment of its contractual obligations towards the Bank;
  - (v) the auditor rejects to approve or makes a negative clause for the Client's balance report;
  - (w) an execution procedure is initiated against the proprietary of the Client relative its shares.
- 15.2 In case of the occurrence of any of the above written circumstances in point 15.1 the related stipulations of point 8 shall be utilized.
- 15.3 In case of the emergence of any of the above written circumstances in point 15.1 the Bank warns the Client to terminate the contract breaching activity or situation. If the Bank considers the contract breaching event incurable or the delay derivate from the warning of the Client is disadvantageous for the Bank, the Bank is entitled to apply the consequences stated in point 15.1 without the prior warning of the Client.
- 15.4 If the Bank terminates any legal relationship made between the Client by an unilateral written declaration, than all of the Bank's obligations towards the Client terminate and the Bank in its

sole discretion is entitled partly or entirely to validate its claim from the Collateral, simultaneously with the notification of the Client and the Obligor of the Collateral.

- 15.5 If the Bank terminates any legal relationship made between the Client by an unilateral written declaration, than all of the Client's debts towards the Bank – primordially but not exclusively the amount of the granted advance payments and the related fees and cost - derivative from the Factoring Agreement became due and expired on the day of the reception of the termination notice, and the Client obligated to pay its debts without delay.
- 15.6 If a certain Buyer do not or not fully accomplish a paying obligation based on an Invoice within 60 days counted from its due date, the Buyer's Limit can be renounced by the Bank and the Bank will be no longer obligated to provide advance payment for the Invoices issued against the Buyer.
- 15.7 If one or more contractual breach emerges in relation to a certain Buyer, the Bank shall be entitled to renounce in writing the relative Buyer's Limit with immediate effect. The Bank does not provide Advance Payment in relation to the Receivables based on deliveries or service provision realized following the reception of the notification about the renouncement of the buyer's Limit. The Bank may reduce or terminate with 15-day written notice the Buyer's Limit in case the Client did not used completely the Buyer's Limit.
- 15.8 If one or more contractual breach emerges in relation to a certain legal relationship, Buyer or Receivables the Bank may claim back the Advance Payment and its affixes based on any Factoring Agreement, meaning the Bank shall have the possibility to rescind financing.
- 15.9. The Bank is entitled to suspend the fulfilment of any of its obligations under the Factoring Agreement or the provision of any services undertaken , or to suspend the Buyer's Limit in case a bankruptcy procedure commences against the Client or the Obligor of the given collaterals.

## 16. **ENTERING INTO FORCE AND TERMINATION OF THE FACTORING AGREEMENT**

- 16.1 The Factoring Agreement shall enter into force on the day when it is signed by both Parties, if the Factoring Agreement does not stipulate otherwise. The Factor shall be obligated to provide factoring services only in case if the conditions determined in point 6 are accomplished. The Factoring Agreement is made – if it do not stipulate otherwise – for an indefinite period of time.
- 16.2 The Factoring Agreement terminates
  - (a) if both Parties have accomplished their obligations and duties derivate of the Factoring Agreements made between the Parties, and there is no possibility to arise any obligation furthermore;
  - (b) on the day determined by the Parties, if they have agreed about it in writing;
  - (c) if any of the Parties terminates it by an unilateral declaration.
- 16.3 If the Factoring Agreement does not stipulate otherwise, either of the parties is entitled to terminate the Factoring Agreement with a 90-day notice in writing for the ending of the actual year. The Bank is entitled to terminate the Factoring Agreement with a unilateral declaration and a notice of 15 (fifteen) days depending on the result of the annual review. The Client is only entitled to terminate the Factoring Agreement with an ordinary termination if, at the time of the termination, it has no debts towards the Bank based on the Factoring Agreement, and the Client orders the payment of any receivables from the Bank.
- 16.4 The Bank is entitled to terminate the Factoring Agreement by an unilateral written declaration with immediate effect in the cases stated in point 15.
- 16.5 The termination of the Factoring Agreement by any reason does not mean the cessation of the claims of the Bank against the Client, nor the termination of the possibilities of validating them.



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**17. THE BANK'S RESPONSIBILITY REGARDING THE PROVISION OF FACTORING SERVICES**

- 17.1 During its factoring activities, the Bank will always act with the due diligence and care that is expected from it and it will take into account the Client's interests to the greatest extent possible under the given circumstances.
- 17.2 The Bank shall not be liable for any damages caused by reasons that were beyond its scope of authority, such as force majeure, provisions of domestic or foreign authorities and the refusal or delayed issue of necessary authority permits. This applies even if the Bank or any of its contractual partners suspends its operations for a certain period of time or limits it. The Bank will notify the Client of this fact, as well as the situation where its services are not available, in an announcement.
- 17.3 The Bank will be liable for any third party contributors it uses as if it had acted through them itself, except when it can prove that it acted as it can be expected in the given situation in the selection, direction and control of the person. If the responsibility of the contributing party is limited by any legal regulations, business rules, international agreements, regulations, norms or any contract or agreement that regulates the conditions for the contribution, or practice, the responsibility of the Bank will be adjusted to that.
- 17.4 The Bank is not responsible for such smaller errors or omissions that occur during the performance of a large number of transactions, even when the generally expected care is displayed. The Bank is not responsible for failing to provide the service it undertook if the procedure is hindered by a legal dispute between the Client and the third party or the negligence of a third party alone.
- 17.5 Other than the contents of the documents that were handed over to it, the Bank will not examine whether the Client's receivables are lawful or not. The Bank expressly does not review whether the delivery of goods or the provision of the services actually took place between the Client and the Buyer; all risks derived from the false or forged nature of any documents will therefore be borne by the Client. The Bank will not be liable for the consequences of the fulfilment of a false or forged engagement where this false or forged nature could not have been recognised even with the careful review that it applies during the normal course of business. Furthermore, the Bank is not liable for any damages that are caused to the Client due to the breakdown of phone lines where the message either does not arrive at all, or it is not comprehensible or is incomplete. The Bank is not liable for any damages caused by incorrect pronunciation or mishearing or unintelligibility due to the quality of the phone line or the fax transmission. The data forwarded through a phone network if a phone or a fax is used, or by phone or through the Internet if the Internet is used and an electronic network is operating, may become known to unauthorised third parties. The Client undertakes the responsibility for these damages and waives any claims in this respect against the Bank.
- 17.6 The limitation or exclusion of the Bank's responsibility in this GTC does not affect the Bank's ability that cannot be limited or excluded validly in a contract.

**18. COLLATERAL**

- 18.1 During its business relationship with the Client, the Bank is entitled to request the provision of appropriate Collateral or the supplementation of the existing Collateral, in respect of all of its receivables, at any time, to the extent which it deems to be necessary to ensure the recovery of its receivables, even in the case when the obligations of the Client are tied to conditions or a specific time or are not yet due. The rejection or non-performance of this obligation to provide or supplement the collateral by the Client qualifies as a serious breach of contract and entails the right for the Bank to terminate the Factoring Agreement with immediate effect.
- 18.2 If the Client ensures a collection right for the Bank in the Factoring Agreement, the Client must transfer the Authorisation Letter for the submission of the collection order confirmed by the account-holding bank in respect of all of its bank accounts held at the time when the contract is concluded. If, during the validity of the Factoring Agreement or until it settles the accounts with the Bank based on the Factoring Agreement, the Client opens a new bank account, it shall transfer the confirmation letter authorising collection to the Bank; it shall also make the



necessary reports to the account-holding banks without delay and also send the report back to the Bank with a clause. If the data defined in the report change, the Client shall sign the new report which includes the modified data and act with regard to it as described above.

- 18.3 Until the provision of the Collateral or until the Collateral is supplemented based on the Bank's request, the Bank is entitled to suspend its factoring activities or the fulfilment of its potential payment liabilities towards the Client. Upon the stipulation of the Collateral, the Bank is entitled to determine the value at which it is willing to accept the individual collateral. If the Client has several debts towards the Bank simultaneously and the performance of the Client would only partially cover the debts, the Bank can spend the amount received at its own discretion to cover the previously expired or the less insured receivable in the absence of a different agreement. All properties, rights and receivables secured as Collateral for the Bank serve as security for all of the Bank's receivables from the Client, regardless of whether the receivable is from the extension of loans or other business relationships. The same rule is valid for receivables which were transferred to the Bank by third parties. All costs relating to the provision, maintenance, handling and enforcement of Collateral shall be borne by the Client.
- 18.4 The Client shall notify the Bank, without delay, of any changes to the value, marketability, and collectability of the Collateral or any other significant circumstances, including the change of owners in respect of the properties secured as Collateral and all circumstances which may influence the market value and marketability of the Collateral in a disadvantageous way, or jeopardise the fulfilment for any other reason.
- 18.5 The Bank or its authorised employee is entitled to check at any time, even on the spot, the existence of the Collateral and the fact whether the Client has fulfilled or is fulfilling its obligations in relation to the Collateral. During the review, the Client shall cooperate with the Bank and provide the data necessary for the review and ensure the necessary conditions for this, including, in particular, the opportunity to check the Collateral on the spot. If the Client does not fulfil the above obligations and this way jeopardises the existence, value and enforceability of the Collateral, the Bank or the party it engages is entitled to act directly on behalf of the Client or to initiate the necessary administrative or judicial procedure.
- 18.6 If the Client does not fulfil any of its due payment obligations within the deadline specified in the demand, despite the Bank's written request, the Bank is entitled to terminate the legal relationships that are related to all of its existing receivables with immediate effect and to make the receivables that are derived from it due. Should the exercise of a right serving as collateral, or the enforcement of a claim to such collateral, arise during the period in which the collateral is available for the Bank, the Bank will be entitled to exercise that right or to enforce that claim. The Bank is entitled (i) to treat the amounts received during the enforcement of the claim and any amount that arrives at the Bank for the Client as well as the balances that appear on the Factoring Settlement Account and the Client's current account as security deposit (financial collateral) and to record these separately, (ii) and to offset them against the Client's due payment obligation.
- 18.7 If the Client does not fulfil its outstanding payment liabilities to the Bank upon the due date, the Bank or the third party it engaged is entitled to enforce any rights derived from the Collateral in a way that, according to its judgement, serves the settlement of the Bank's receivables the most successfully. In order to enforce the Collateral, the Bank continually reviews if there is any debt on the Client's Factoring Settlement Account towards the Bank, based on all or any of the Factoring Agreements, for any reason. If, based on any of the Factoring Agreements and for any reason, there is a debt towards the Bank on the Client's Factoring Settlement Account, not affecting any other rights in the GTC or the Factoring Agreement, the Bank is entitled to enforce the Collateral defined in any of the Factoring Agreements and to take the necessary steps in order to enforce the claim derived from the Receivables.
- 18.8 Not affecting any other rights in the GTC or the Factoring Agreement, in the event of a breach of contract by the Client, the Bank is entitled to reject without justification the Client's request for an Advance and to withdraw its promise of the Advance in respect of the defined Receivables at its own discretion, or to abandon factoring with regard to any Receivables and to demand the disbursed Advance back or to offset it on the Client's Factoring Settlement

Account. In the light of the above, the Bank is entitled (i) to demand the withdrawn Advance which had already been made available to the Client; or (ii) to offset its receivables that are related to the Advances against the portion of the buyer's payments received from the Client's other Receivables that were purchased by the Bank, payable to the Client as a counter-value for the Receivables. If the Bank decides to demand the Advance back, it will be entitled to enforce its claims by offsetting on the Factoring Settlement Account, or to enforce them through a collection order against the Client's other invoices, in respect of the given transaction. Unless the GTC or the Factoring Agreement provides otherwise, the Bank will be entitled to recharge the Advance and the interest rates plus the costs that arose during the enforcement of the claim to the Client if (i) the Obligor does not fulfil the Receivables, or (2) the Client deceived the Bank, or (3) the Client's financial situation makes the recovery of the Receivables uncertain, according to the Bank's judgement.

- 18.9 If several items of Collateral serve as coverage for the same transaction for the Bank, the Bank may enforce the Collaterals in the order and extent it decides to apply. The Bank is entitled to use the amounts that flowed in during the enforcement to fulfil its demands and it will make any amount that exceeds the receivables available to the Client. The Bank is entitled to demand the payment of its current receivables outstanding based on the contract, independent of the enforcement of the Collateral, and the Client cannot reject the payment by saying that the Bank has the opportunity to enforce its receivables to the debit of the Collateral. If the Bank enforces the Collateral and its receivables are not fully settled with this, it will not exempt the Client from paying the rest of the debt.
- 18.10 The collateral contract will remain in force until the Bank's receivables from the Client due, based on the Factoring Agreement, are settled fully. After the complete recovery of its receivables, the Bank shall release the Collateral that was made available for it by the Client but remained unused, at the request and cost of the Client.
- 18.11 In each case the Bank is entitled to enforce its due receivables against its debts towards the Client by applying offsetting. This offsetting right is valid even when the Bank's receivables and liabilities are not derived from the same transaction. The Bank is entitled to charge the costs of the enforcement of the Collateral to the Client and to offset them against the amounts that flow in to the Client even when the costs should be borne by a third party according to the legal regulations. This entitlement prevails even upon the collection of the receivables that were transferred to the Bank by the Client and is valid in respect of the costs that are related to the enforcement of claims and the costs that are related to the enforcement of the Collateral that was newly involved during the claim enforcement procedure. In each case, the Bank is entitled to enforce its due receivables against any debts towards the Client from any legal relationship, under any title, by offsetting, even if the receivables were generated in different currencies and are derived from different Factoring Agreements that were concluded with the Client. The Bank's offsetting right does not affect or limit the Bank's offsetting right as per Sections 12.12-12.5 of the GBC against any other accounts of the Client held at the Bank, including the Client's Current Account held at the Bank.

## 19. **GOVERNING LAW, DISPUTE RESOLUTION**

- 19.1 The present GCT, GBC and CBT is governed by, and shall be construed in accordance with, Hungarian law. If any provision of the present GCT or the GBC is or becomes legally invalid according to a competent court's decision it not affects the validity and legality of the present GCT or the GBC, all other provisions of the mentioned documents shall remain effective.
- 19.2 The failure to validate any right or remedy determined in the GBC, the present GCT, or the Factoring Agreement, shall not mean the renouncement of the certain right or remedy, and the single or partly application of these rights or remedies do not obstruct the further or repeated application.
- 19.3 In case of the elaboration of a foreign language translation of the Factoring Agreement should any difference be revealed between the Hungarian and the translated version, the Hungarian version shall prevail.

19.4. Parties shall attempt to settle all disputes arising between themselves amicably. Should this prove to be unsuccessful, for all disputes arising from the Factoring Agreement or in connection to it, relating to the breach, termination, validity or interpretation of it, depending on the value-limit and the value of the subject matter of the dispute, Parties submit themselves to the exclusive jurisdiction of the court determined in Clause I/13 of the GBC.

## 20. **OTHER STIPULATIONS**

### 20.1 Written form

20.1.1 The Bank and the Client shall record their notifications to each other, their requests, their messages and the Factoring Agreements in writing, or shall confirm these in writing. The Bank is entitled to have the Client's instructions confirmed before their implementation, at the cost of the Client, in writing. Any notifications, messages and orders sent to each other by mail, electronic documents with qualified electronic signature and written contracts qualify as written documents. Non-written communications must be confirmed in writing, they will become effective upon the written confirmation, with the exception of facsimile messages which shall be confirmed in writing only in cases if explicitly requested

20.1.2 With regard to the confirmation of notifications received by phone or in other, non-written forms, the other party shall indicate any differences between the communication and the written confirmation without delay. The Bank is entitled to have the Client's orders given by phone or fax confirmed. The Client's phone and fax number are indicated in the Factoring Agreement, and orders received and performed via the indicated fax and phone numbers must be considered as ones arriving from the Client. The Bank excludes any liability that arises from the unauthorised use of the Client's phone or fax numbers.

20.1.3 The Bank reserves the right to reject any order received by phone, fax or computerised communication for security reasons, including, in particular but not exclusively, the start of the factoring activity or the provision of the Advance, at its own discretion, or to suspend the performance of the order until the written confirmation. The Bank has no liability regarding such rejection and/or suspension.

20.1.4 With regard to documents issued abroad, unless international agreement stipulates otherwise, or there is a different practice of reciprocity, the signature of the document must be certified or countersigned by the Hungarian representation authority. The certification or countersignature is not necessary if the authorisation has an Apostille and the country indicated as the place of signature is a signatory to the Hague Convention of 1961 on abolishing the requirement of legalisation for foreign public documents.

20.1.5 The contracting Parties agree that the present Agreement was prepared in Hungarian and English language. In case of any discrepancies between the Hungarian and English versions the Hungarian version shall prevail.

### 20.2 Delivery

20.2.1 The Bank will send the contractual offers, declarations, notifications and documents to the Client, to the address specified by the Client in the Factoring Agreement. In the absence of such an address, the Bank will send the documents to the Client's address, registered office or site known to it. Any damages and extra costs derived

from incorrect delivery because the Client had given the wrong address will be borne by the Client and will fall due immediately. If the Bank does not have any address or the postal delivery is unsuccessful for any reason, the Bank is not liable for any damages derived from lack of notification. At the Client's written request, the Bank can, at the Client's responsibility, retain the correspondence.

20.2.2 The Bank will send the general business papers addressed to the Client by ordinary mail. These documents should be considered delivered/handed over if a copy of the original document or a signed copy of it is held by the Bank, or if the mailing is confirmed by a signed delivery register or a return receipt. In the case of a notification to be sent to many Clients, a single copy of the circular is enough to confirm the mailing.

20.2.3 If the usual time defined for postal deliveries in the relevant legal regulation on the delivery of mail has passed, the Bank is entitled to believe that its written notification was received by the Client. The Bank is entitled to deem that the Client acknowledged and accepted the contents of the notification if no written comments or challenges were received within 15 calendar days after the receipt. In exceptional cases, the Bank may reduce this deadline to a maximum of 8 calendar days if it drew the Client's attention to this in the notification. Written mail to the Bank must be sent to the Bank's registered office.

### 20.3 Representation

20.3.1 In respect of the legal transactions to be concluded with the Bank, a PE Client shall act either personally or through a proxy who was authorised according to the legal regulations. When reporting the entitlement for representation, the Bank will only accept a limitation of amounts in the instances that are expressly recorded in the Factoring Agreement.

20.3.2 The Bank considers the reported representatives and their signatures valid until receives a written notification about the withdrawal of the right of representation from the Client. If the Client's order or any representation-related act involves the signature of a person who is not entitled to sign on behalf of the Client, or whose signature differs from the specimen signature, the Bank will send the order back to the party who submitted it, indicating the reason for this. In order to protect the Client's and its own interests, the Bank may require the Client to incorporate the power of attorney in a public or private deed with full conclusive force. In the event of reporting liquidation or a winding-up, the publication of the court's relevant resolution in the Company Gazette must be certified and the specimen signature of the person performing the liquidation (winding-up) must be given to the Bank.

20.3.3 When making the legal representations in respect of the Factoring Agreements, the representatives indicated on the Bank's certificate of incorporation and all those persons whose right to representation is confirmed based on the power of attorney given by the Bank's representatives who are authorised to sign on behalf of the Bank, should be considered as the Bank's representatives.

20.3.4 The Bank is entitled to use experts and contributors who cannot be considered as the representatives of the Bank in order provide information on and sell its products and to fulfil the obligations derived from the Factoring Agreements concluded with the Client.

The GBC settles any matters of responsibility related to the experts and contributions used this way.

#### 20.4 The Parties' obligation for cooperation and the provision of information

20.4.1 According to the principles of civil law, the Bank and the Client shall notify each other without delay of any circumstances and facts that are significant, for the purposes of keeping contact with each other, and they shall respond to any questions raised regarding each one without delay if it cannot be concluded otherwise from the nature of the case or the available documents, and they shall draw attention to any changes, mistakes and omissions without delay.

The Client shall notify the Bank of any change to its name, address or the person of the representative without delay, as well as of any other change in its person, legal status or financial situation that is significant for the purposes of fulfilling the Factoring Agreement. During the contractual relationship, the Client shall notify the Bank of any changes in the data given during the Client identification performed by the Bank or in the person of the actual owner, within 5 (five) working days after becoming aware of the change. The Client shall notify the Bank in writing within 15 calendar days if any notification has not arrived from the Bank, in particular, in relation to the fulfilment of the payment order or crediting the cash receivables.

20.4.2 The Client shall notify the Bank, in writing, during the settlement period following the termination of its contractual relationship with the Bank or the Factoring Agreement of the following: (1) its intention of reorganisation, demerger, separation, unification and merger, or the planned division of its assets; (2) if it intends to initiate a bankruptcy, winding up or liquidation procedure against itself or if the legal conditions for this have set in, there is a procedure going on against it for the purposes of establishing insolvency, or a liquidation procedure is in progress, or it comes to its knowledge in any way that a third party has initiated a procedure against it for the purposes of establishing insolvency or liquidation; (3) it has an overdue debt to a third party; (4) of new economic associations that were established with its cooperation and of the interests it has or plans to have in other economic associations; (5) of any changes in its properties, including the decrease or increase of the ordinary or the share capital; (6) if its liabilities exceed its receivables for the long term; (7) if the following conditions for the initiation of a liquidation procedure to be launched against it prevail; (8) if it was registered in the Central Credit Information System due to an overdue debt; (9) of any changes to its management and the acquisition of own business shares/treasury shares; (10) in the event that a portion of the assets of the economic association is taken into another company.

20.4.3 In addition to the contents above, during the factoring relationship, the Client (1) shall give information and data that are based on true facts and are necessary for the Bank's review of creditworthiness and the management of risks related to the given financial service; (2) shall make the important data of the asset elements secured as collateral available, along with their changes; (3) shall provide information on all important litigation, out of court, foreclosure and administrative procedure, measure and examination, or loss event affecting its property and any important circumstances that affect its economic management, asset and financial situation and may affect the performance of the obligations undertaken in the Factoring Agreement or its solvency; (4) shall continually provide information on the numbers of all of its bank accounts held



at credit institutions, and shall report to the Bank without delay if it opens a new bank account during the factoring relationship or the accounting period following the termination of the Factoring Agreement, or if it terminates a bank account, whereby in respect of the newly opened bank accounts it shall ensure the rights (e.g. right to the submission of a collection order) for the Bank which were due to it in respect of the existing bank accounts, within 8 (eight) days after the opening of the given new accounts; (5) shall notify the Bank without delay if, according to its best knowledge, any other circumstance jeopardises or may jeopardise the payment of its debts that are due or will become due in the future to the Bank, or if it cannot fulfil any obligation existing under any legal regulation or undertaken in a contract or in any other way; (5) shall notify the Bank without delay if it comes to its knowledge that an event occurred in relation to a third party involved in a transaction concluded with the Bank for the provision of financial services that may affect the fulfilment of the obligations it undertook under the Factoring Agreement, or its solvency, or that may otherwise have an impact on its legal relationship with the Bank.

- 20.4.4 The Client shall hand over all documentation related to the economic events affected by the Factoring Agreement (in particular, the contracts for the delivery of goods, the provision of services and entrepreneurial activities that are relevant for the basic transaction defined in the Factoring Agreement, along with their modification), to the Bank. If the Bank requests it, the Client must also show the original documents to the Bank. The Client shall give all information requested by the Bank in respect of the Client's organisational, personal or other risk data for the purposes of the provision of the services included in the Factoring Agreement concluded with the Client, the review of the Client's obligations or the fulfilment of the Bank's commitments. At the Bank's request, the Client shall present its contracts that involve commitments including, in particular but not exclusively, the credit and loan agreements as well as the agreements that involve a lease, guarantee and surety ship commitment or the provision of Collateral.
- 20.4.5 In addition to the above, a Client which is not a PE (1) shall send its annual report to the Bank by 31 May of the year following the subject year at the latest, and its consolidated annual report by 30 September of the year following the subject year; (2) shall make the interim reports, or the statements that represent these, available for the Bank within 10 calendar days after the receipt of the Bank's written request; (3) if a supervisory body or authority audits the Client or takes other administrative measures, the Client shall send the relevant resolution of the supervisory body or authority to the Bank; (4) shall inform the Bank of the facts that are important for the given legal transaction, or of the changes to such facts, whereby the following qualify as significant facts, in particular: (i) changes affecting the Client's person, legal status and data in the certificate of incorporation; (ii) changes to the Client's address, correspondence address or other contacts, (iii) changes to the registered capital; (iv) a change of at least 10% in the ownership structure; (v) the acquisition of any type of influence, (vi) the change in the person of the reported representative; (vii) changes to the data of the bank accounts.
- 20.4.6 If, for the purposes of fulfilling its obligations related to the financial services provided by the Bank, the Client receives aid from budgetary organisations or any other organisation for which the Bank has to provide data, or a third party provides funds for the Bank for the given financial services (refinancing), the Bank can make the data



provided by the Client based on Section 20.3.4 available for the party that provides the aid or refinancing. The Client shall make a review possible for the representative of the organisation that provides support or refinancing.

- 20.4.7 The Client shall inform the Bank without delay of any changes that took or will take place in the value and marketability of the Collateral provided by or for it. The Bank or its authorised employee is entitled to check, at any time, the existence of the Collateral and whether the Client fulfils its obligations in relation to the Collateral. During the review, the Client shall cooperate with the Bank in everything and provide all necessary information for the review and allow access to the documents related to the Collateral.
- 20.4.8 The Client shall fulfil its obligation to provide information, as described in Section 20.4., within 3 (three) working days after the individual events except in cases when there is an obligation for immediate provision of information. The breach of any obligation to provide information, as defined in Section 20.4. qualifies as a serious breach of contract which provides a basis for the termination of the Factoring Agreement by the Bank with immediate effect. The Client has full liability for any damages caused by the breaching of its obligation to provide information.
- 20.4.9 The documents provided by the Client must be copies certified by the Bank, or, at the request of the Bank, they must be originals or copies certified by a public notary.
- 20.4.10 The Bank or its proxy is entitled to inspect the business and other records at the Client's registered office or site. The Client shall accommodate a review during the normal business hours even without a preliminary notification and provide the necessary conditions throughout the review on a continuous basis.
- 20.5 Severability and waiver
- 20.5.1 If, according to a court with any scope of authority, any provision of the Factoring Agreement, this GTC, the GBC and the CBT is invalid, annulled or impossible to fulfil, this is only valid for the given provision and does not mean that the whole document is invalid, annulled or impossible to fulfil, and all other provisions will remain valid and in force.
- 20.5.2 If the Bank fails to exercise any rights or remedy provided in the GBC, the CBT, this GTC, the Factoring Agreement or a legal regulation, it does not mean a waiver of the given or another right or remedy, furthermore, the one-off or partial exercise of this right or remedy will not hinder the further exercising of the given or any other right or remedy.
- 20.6 Assignment
- 20.6.1 In the absence of a written agreement expressly to the contrary, the Client is not entitled to assign its receivables outstanding based on its contracts with the Bank without the Bank's consent, according to the relevant regulations of the Civil Code on assignment and the assumption of debts.

***I have received a copy of the General Terms and Conditions:***

***Date***

***Client's signature***