



GENERAL CONTRACTUAL TERMS AND CONDITIONS FOR ACTIVE CORPORATE BANKING SERVICES

Credit, Loan, Bank Guarantee, Letter of Credit and Financial Leasing deals

This amendment to the GCTC will not enter into force on 26/10/2022. The general contractual terms and conditions for active corporate banking services in force as of 19/05/2021 shall remain in force with unchanged content.

The GCTC has been amended to include the changes that occurred in the processes and operating procedures of the Bank – including those of the Overdraft Facility – as a result of the development of Bank's IT systems, and to clarify the definition of the SOFR reference rate.

The provisions highlighted in *italics* in these General Contractual Terms and Conditions shall be applicable to contracts concluded after 10 October 2014 and Contracts that contain an explicit reference to the content of such provisions.

I. GENERAL PROVISIONS

1. SCOPE OF THE GENERAL CONTRACTUAL TERMS AND CONDITIONS OF ACTIVE CORPORATE BANKING SERVICES

1.1. The scope of present General Contractual Terms and Conditions (hereinafter: the '**GCTC**') shall include all the financial and supplementary financial services, specified under Part II. of the GCTC (hereinafter: the '**Service**'), provided by **K&H BANK ZRT.** (registered office: 1095 Budapest, Lechner Ödön fasor 9., company registration number and court of registration: Cg. 01-10-041043, Metropolitan Court as Court of Registration, operating license number: ÁPTF 969/1997/F, date of operating license: 26 November, 1997) (hereinafter: the '**Bank**') for corporate clients. The present GCTC shall also apply to any Collateral Contract, even if the provider of the Collateral is a third party. The provisions of the GCTC shall also apply for any Contract so stipulating, concluded between the Client and the Bank for providing Services not specified in Part II. of the GCTC. From March 1, 2015, the provisions of the present GCTC shall also apply to Contracts that originally made a reference to the 'General Contractual Terms and Conditions of Active Banking Services for Municipalities'. In the context of the present GCTC the definition of 'business client' will also cover municipalities defined in the prevailing legislation on municipalities as well as their municipality associations (hereinafter: '**Municipality**'). If the most recent effective state of the 'General Contractual Terms and Conditions of Active Banking Services for Municipalities' is more favourable in respect of a specific provision than the stipulations of the present GCTC, then the more favourable provision is to be applied.

1.2. The 'General Provisions' under Part I. of the GCTC shall be regarded as contractual conditions in case of all Services, while section 'Individual Services and Relevant Contractual Conditions' in part II. shall be regarded as contractual conditions in terms of the given Service, which are accepted by the Client by signing the individual client agreement concerning the use of the given Service.

1.3. The provisions of the GCTC shall be binding to both the Client and the Bank; however, the parties may depart with mutual consent from such provisions in writing in relation to individual Services.

1.4. In case of any difference between the 'General Provisions' of Part I. of the GCTC and 'Individual Services

and Relevant Contractual Conditions' in Part II., the provisions of this latter shall prevail.

1.5. In case of any discrepancies between the provisions of the GCTC and the client agreement on the same subject, the provisions of this latter shall prevail.

1.6. Should any issue regarding a Service not be regulated by the given client agreement or the GCTC, the effective General Terms and Conditions and the relevant provisions of the law of Hungary shall be applicable.

1.7. If a Contract is concluded as part of a public procurement procedure, the conditions of the present GCTC may only be applied subject to the bans and limitations stipulated in the effective legislation ('Kbt.' Act) on public procurement.

1.8. In accordance with Services, the rights and obligations of the Client shall be deemed rights and obligations linked to the Client's person.

2. GENERAL DEFINITIONS

The terms listed herein shall have the below meaning in the GCTC and the given client agreement; while terms specified in other parts of the Contract (shown in bold characters) shall have the meaning defined wherever they might occur:

'**Announcement**': information provided by the Bank and displayed on the premises open for client service, which is published in line with the relevant legal regulation, concerning bank charges, fees and other conditions applied for individual Services, and which the Bank is entitled to change unilaterally from time to time subject to the terms and conditions set out in the legal regulation in question. Part(s) of the Announcement concerning the given Contract shall constitute an integral part of the Contract.

'**Bank's Base Rate**': an interest rate which is established and may be modified by the Bank on the basis of prevailing market conditions, expressed in a % p.a. and stated in the Announcement.

'**Breach of Contract**': any event defined as such in the relevant rules of law or any part of the Contract.

'**BUBOR**': The Budapest inter-bank quoted forint reference interest rate, expressed in a % p.a., which is established in compliance with the current stipulations of MNB BUBOR regulations, prevailing among the market operators for a



specified period and which is displayed as the BUBOR rate on the 'BUBOR' page of the Reuters/Bloomberg monitors. The BUBOR rate to be applied out of the various BUBOR rates identified for different tenors is set out in the Client Agreement. The BUBOR rates are available on the MNB's website under 'Official BUBOR fixing': <https://www.mnb.hu/en/monetary-policy/market-information>

'Client Agreement': an individual client agreement established between the Client and the Bank in relation to any Service.

'Client': refers to a person classified as a corporate client based on the criteria identified by the Bank within its own discretion, to whom the Bank provides the Service. Should the GCTC, the Client Agreement, the Collateral Contract or any appendix thereof refer to 'Account Holder', 'Debtor', 'Borrower', 'Lessee' or 'Principal', such references shall be construed as references to the Client.

'Collateral Contract': contract(s) concerning the various types of Collateral.

'Collateral': types of collateral with the aim to secure the performance of the Client's liabilities under the Contract.

'Commitment Period': the time period specified in the Client Agreement as the period between the start of the commitment or the start date of Availability and the end date of commitment, during which the Service is available to the Client, except for Overdraft Facility Agreements where the end date of the commitment is the date preceding the Maturity Date specified in the Client Agreement.

'Credit Institutions Act': the prevailing act on credit institutions and financial enterprises.

'Current Account': it refers to a payment account kept by the Bank for the Client in HUF or foreign currency for payments, which is governed by a separate account management contract made by and between the Parties for this very purpose. Should any part of the Contract mention a settlement deposit account ('SD' account) or a bank account, it should be construed as referring to a Current Account.

'EONIA (Euro OverNight Index Average)': an average overnight interest rate on loans denominated in euros in the Brussels interbank market of the euro zone, computed, with the help of the European Central Bank, as a weighted average of all overnight unsecured lending transactions initiated by the banks of euro zone Members States, and accessible on the website of the European Money Markets Institute.

'ESTR': Euro Short-Term Rate (€STR), published on each TARGET2 (Trans-European Automated Real-time Gross Settlement Express Transfer System) business day based on the volume-weighted average interest rate on overnight transactions settled on the previous TARGET2 business day and reported by the 52 largest euro area banks. It is calculated and published by the European Central Bank and is publicly available on the following page: https://www.ecb.europa.eu/stats/financial_markets_and_interest_rates/euro_short-term_rate/html/eurostr_overview.en.html

'EUR LIBOR': A quoted interest rate expressed as an annual percentage, listed on the London inter-bank market and established in compliance with the relevant regulations of the

ICE, prevailing among the market operators for a specified period and which is displayed as the EUR LIBOR rate on the 'EUR LIBOR' page of the Reuters/Bloomberg monitors. The EUR LIBOR rate to be applied out of the various EUR LIBOR rates identified for different tenors is set out in the Client Agreement. The ICE LIBOR rates are publicly available on the following website with a 24-hour delay: <https://www.theice.com/marketdata/reports/170>

'EURIBOR': A quoted interest rate expressed as an annual percentage, listed on the inter-bank market and established on the unsecured loan transactions in compliance with the relevant regulations of the European Central Bank, prevailing among the market operators for a specified period and which is displayed as the EURIBOR rate on the 'EURIBOR' page of the Reuters/Bloomberg monitors. The EURIBOR rate to be applied out of the various EURIBOR rates identified for different tenors is set out in the Client Agreement. The EURIBOR rates are publicly available on the following website with a 24-hour delay: <http://www.emmi-benchmarks.eu/euribor-org/euribor-rates.html>

'Interest Margin': a rate established by the Bank at its own discretion, primarily based on the Client's banking risk, and expressed in a % p.a.; which constitutes the Interest Rate together with the Reference Interest Rate.

'Interests of the Client': business organisations in relation to which the Client has at least a controlling influence or which have at least a controlling influence in the Client as per the Credit Institutions Act.

'LIBOR': A quoted interest rate expressed as an annual percentage, listed on the London inter-bank market for FX loans of the currency in question, and established in compliance with the relevant regulations of the ICE, prevailing among the market operators for a specified period and which is displayed as the LIBOR rate on the 'LIBOR' page of the Reuters/Bloomberg monitors. The LIBOR rate to be applied out of the various LIBOR rates identified for different tenors is set out in the Client Agreement. The ICE LIBOR rates are publicly available on the following website with a 24-hour delay: <https://www.theice.com/marketdata/reports/170>

'Maturity Date': fixed date(s) specified in the Client Agreement by which, at the latest, the Client shall have to pay any due debt(s) outstanding towards the Bank, according to the Contract.

'Pre-condition(s)': all the conditions specified in the Contract (including but not limited to: the presentation of specified documents, the signing and entering into force of contracts and statements, the performance of actions) until the joint occurrence of which the Bank shall not be obliged to provide the Service for the Client, even if the Contract has already entered into force.

'Reference Interest Rate', 'Interest Rate Base': an interest rate expressed in a % p.a. and used for the calculation of the contractual interest rate to be paid in relation to the Services in question, as set out in the Client Agreement, in particular: the Bank's Base Rate, BUBOR, EURIBOR, EUR LIBOR, LIBOR.

'SARON': Swiss Average Rate Overnight, the average CHF interest rate per business day, calculated on the basis of the volume weighting of quotes and trades available in the order

book of the SIX Repo electronic trading platform, provided that they are within the predefined parameters of the quotation filter. The average interest rate is calculated continuously in real time and published every ten minutes. It is also recorded three times a day at 12, 16 and 18 pm. These fixations serve as a benchmark for valuing derivative financial products and financial assets. Publicly available on the following page: https://www.six-group.com/exchanges/indices/data_centre/swiss_reference_rates/reference_rates_en.html

'SOFR': Secured Overnight Financing Rate, **denominated in US dollars** and calculated as a volume-weighted median of transaction-level tri-party securities transaction (repo) data collected from the Bank of New York Mellon (BNYM) as well as GCF Repo transaction data and data on bilateral treasury repo transactions cleared through FICC's DVP service, which are obtained from DTCC Solutions LLC, an affiliate of the Depository Trust & Clearing Corporation. Publicly available on the following page: <https://apps.newyorkfed.org/markets/autorates/SOFR>

'SONIA': Sterling Overnight Index Average, the volume-weighted average effective interest rate on unsecured overnight transactions between banks. The Bank of England calculates and publishes based on the turnover submitted by English banks the previous day. Publicly available on the following page: <https://www.bankofengland.co.uk/markets/sonia-benchmark>

'Significant', 'Material': should any part of the Contract or Collateral Contract refer to these qualifying descriptions without specifying the exact meaning thereof within the Client Agreement, the term 'significant/material' is to be construed according to what can be considered significant/material under the circumstances.

'Total Debt': refers to all the unpaid debt outstanding owing to the Bank by the Client, as per the Contract (including any fees), including any related interests, commissions or costs payable by the Client which are incurred by the Bank in connection with the Contract or its enforcement.

'Contract': the entire contractual documentation established between the Bank and the Client in relation to any Services, consisted of the Client Agreement, Collateral Contracts, GCTC, General Terms and Conditions of Business, Announcement.

3. THE CONTRACT

3.1. Conclusion and effect of the Contract; and the utilisation of the Service

3.1.1. The Bank shall inform the Client of the conditions of the utilisation of the given Service. The provision of information by the Bank to the Client in connection with one or more Services shall exclusively be valid in writing, and it shall only be of binding force to the Bank if the information provided clearly and explicitly stipulates so (hereinafter: the **'Offer'**). Should the information provided not contain any provisions concerning its binding force to the Bank, it cannot be considered to constitute an Offer.

3.1.2. Prior to the conclusion of the Contract the Bank shall examine the creditworthiness of the Client, the value and enforceability of the collateral offered, and all other

circumstances regarded significant in the Bank's judgment for a decision regarding the Service in question. The Client shall be obliged to hand over to the Bank all documents and information requested by the Bank, in the format and with the content requested by the Bank. Should the Bank regard the creditworthiness of the Client adequate on the basis of the figures and information handed over, the debtor rating performed and the collateral rating available, it shall make a decision about the approval of the Client's application in relation to the Service in question; otherwise, it shall reject it. In its approval, the Bank may establish an amount lower than the amount requested in connection with the given Service, or it may modify the conditions. The Client hereby accepts that the Bank shall establish the terms and conditions of the different Services offered, within its sole discretion. Should the Client fail to meet the specified requirements, the Bank may refuse the provision of the Service. The Bank may re-assess the Client's creditworthiness, the value and enforceability of collateral(s), or any other circumstances at any time during the term of the Contract. For this purpose, the Client shall be obliged to hand over any data and/or documents specified by Bank, by the deadline indicated in the Bank's notice.

3.1.3. The Contract shall be established in writing, upon being duly signed by the Parties (in accordance with the rules of representation of the Client), and shall enter into force on the date of signature by each contracting party, unless the Client Agreement provides otherwise. The Contract may also stipulate that, in addition to the Pre-conditions specified as conditions for the Contract entering into force, the utilisation of the given Service by the Client shall also be dependent on the occurrence, fulfilment of further Pre-conditions.

3.1.4. The Bank may refuse the provision of the Service even after the conclusion of the Contract and/or the fulfilment of the Pre-conditions, should, in the meantime, a significant change occur in the circumstances of the Bank or the Client, due to which the performance of the Contract cannot be reasonably expected any more, or a cancellation with immediate effect is admissible. The Bank shall be entitled to this right even if the given Contract was established by the violation of any kind of an internal procedure or other instruction established within the Bank's own discretion for the conclusion of such Contracts (and the provision of such Services).

3.1.5. If the Parties agree so in the Client Agreement, the Bank shall be entitled to refuse the provision of the part of the Services in question not utilised by the Client, including during the Commitment Period, without having to justify it, by concurrently notifying the Client; or terminate it with immediate effect. If the Parties not stipulate a Commitment Fee in the Client Agreement for the Service kept at the Client's disposal by the Bank, the previous provision shall always apply. In this case the Bank shall not assume liability in relation to any damages suffered by the Client or any third party.

3.1.6. If the Bank provides the later opportunity of using Services based on a framework agreement for permanent lending relationship (hereinafter: the **'Framework Agreement'**), within a facility amount as specified therein, the Client may only utilise the individual Services subject to individual Client Agreement(s) in relation to the given Service. The provisions of the Framework Agreement shall



be considered conditions to the Contract in terms of all Services and Client Agreements, which are accepted by the Client by signing the Framework Agreement and the Client Agreement concerning the utilisation of the given Service. The contents of the Framework Agreement shall not be regarded as an offer or unconditional commitment in any circumstances, in terms of the provision of Services. The utilisation of the given Service shall always depend on the previous rating of the Client and the results of credit and collateral assessment, even if the Bank had previously carried out such procedure in terms of the Client. The Bank shall not be held responsible for any costs, losses, damages or unrealised profits suffered by the Client or any third party as a result of initiating any proceeding merely on the basis of the Framework Agreement.

3.2. Amendment of the Contract

3.2.1. The Bank expressly reserves the right, and the Client acknowledges the Bank's right to supplement the provisions of the General Contractual Terms and Conditions each time the Bank introduces a new or extended service, and to amend the provisions of the General Contractual Terms and Conditions, and the conditions specified in the Announcements and the Client agreement unilaterally in response to, and in line with legislative changes applicable to or concerning the bank's services or legislative changes concerning its operating conditions, changes in Central Bank regulations or other regulations with binding effect to the Bank, changes in the Central Bank base rate and other Central Bank interest rates, changes in fund raising opportunities in, and cost of the money market, other costs incurred by bank, changes of the consumer price index, in government interest subsidies, in public contribution liabilities, mandatory formation of provisions, the Bank's operating processes, or the risk related to services or to the Client, make adjustments and unilaterally amend the provisions of the effective GCTC as well as conditions set out in the Announcement or the Client Agreement.

Should the Bank amend provisions of the applicable GCTC and conditions stipulated in the Announcement adversely for the Client, it shall, 15 days prior to the amendment taking effect, display the amended GCTC and the Announcement on its premises open for the public, and publish the same on its website.

Should the Client fail to accept the amendment, they shall be entitled, upon settling their debt, to terminate the Agreement within 15 days of the publication of the Announcement, in the absence of which the amendment shall become binding with respect to the Client.

3.2.2. The Client shall be entitled to initiate, in writing, the amendment of the conditions considering the Service, or other provisions specified in the Contract and Collateral Contract. The acceptance of the initiative shall be subject to the sole discretion of the Bank. The Bank may make the acceptance of the amendment subject to the performance of repeated creditworthiness assessments, and the results thereof.

3.3. Termination of the Contract

3.3.1. Unless otherwise required by the nature of the given Service, either Party shall be entitled to terminate the contract by giving 15 days' written notice to the other Party. Cancellation by the Client shall only be accepted by the Bank if at the time of the cancellation the Client does not have any debt towards the Bank, and, lacking a Current Account with the Bank, the Client makes arrangements for the payment or transfer of any potential claims on the Bank.

3.3.2. The Bank shall be entitled to terminate the Contract with immediate effect, in writing, if any of the events specified in the Contract as 'Breach of Contract' occurs.

3.3.3. Should the Contract cease for any reason, it shall not automatically imply the lapse of any claims by the Parties based on the Contract, or the option to enforce such claims.

4. PRE-CONDITIONS

4.1. Documents constituting pre-conditions

The Contract shall only enter into force and/or the Bank shall only perform the Service for the Client, upon receiving

- (a) a copy of the company registration document (or other registration document) of the Client reflecting its current status (which cannot be older than 30 days), which clearly shows that the Client operates in full compliance with the provisions of the relevant legislation and authorities;
- (b) a copy of the effective Articles of Association (Deed of Foundation) of the Client;
- (c) if the Client is not listed in the National Tax and Customs Administration's database of taxpayers with no public debt on the Date of First Disbursement/the Start Date of Availability for overdraft facilities/the first Issue Date of the Bank Guarantee statement, then a certificate issued by the National Tax and Customs Administration and not older than 30 days verifying that the Client has no tax or other public debts, or a tax current account statement sent electronically to the Bank showing not negative final balance, got by the Client from the Customer port;
- (d) a copy of the notarised specimen signature of all authorised person(s) who have signed the Contract and who are authorised to notify the Bank on behalf of the Client in relation to the Contract, irrespective of whether or not these persons hold a right of disposal over the Client's Current Account;
- (e) an original copy of the Collateral Contract(s) signed by all concerned parties in a suitable format and with suitable contents;
- (f) for Municipality Clients the ruling of the body of representatives or the general assembly for the conclusion of the Contract;
- (g) in the case of a Non-Municipality Client, the decision of the Client's appropriate body to enter into the Contract, if the Client's constitutional document or any law require such a decision to be made.¹

For Municipality Clients provisions (a)–(c) are not applicable.

¹ The pre-condition referred to in point 4.1. (g) shall apply to Contracts concluded from 19.05.2021 and to those Contracts which expressly refer to this.



4.2. Further Pre-conditions

4.2.1. The Bank's obligation to provide Services to the Client are also subject to the following conditions: (a) all statements made within the Contract are true and correct; (b) no Breach of Contract exists; (c) the Client paid all fees and charges identified within the Contract as being pre-conditions to the utilisation of Services; and (d) all the Collateral Contracts are valid, effective and fully enforceable.

4.2.2. The Client acknowledges that the Client Agreement may stipulate one or more additional preconditions for the Bank to have the obligation to provide Services to the Client. The content of the following preconditions is specified in the present GCTC provision:

(a) Notarisation of the Client Agreement:

Notarisation of the Client Agreement.

(b) Notarisation of the Client Agreement and the Collateral Contract(s):

Notarisation of the Client Agreement, as well as Collateral Contracts about a mortgage given by a third party other than the Client and about an absolute guarantee given by a private person.

(c) Verification of the availability of own funds – prior use:

Own contribution shall

- (i) be used before the day of the first Disbursement Date under the Client Contract, and its utilization shall be certified by submitting Invoice and documents to certify any payments made in a format as acceptable to the Bank, or
- (ii) be blocked on the Client's Current Account on the first Disbursement Date under the Client Contract for the reason of using together with the Loan to be disbursed, if the Own contribution has not yet been paid before the first Disbursement Date under to the Client Contract.

(d) Verification of the availability of own funds – pro-rata utilization:

Own contribution shall

- (i) be spent according to the Financing Ratio before disbursement and that fact shall, in a format as acceptable to the Bank, be certified by submitting an Invoice and documents to certify any payments made., or
- (ii) be blocked on the Client's Current Account on the Disbursement Date of the Loan(s) for the reason of using together with the Loan to be disbursed, if the amount according to the Financing Ratio of Own contribution has not yet been paid before the Disbursement Date of the Loan(s).

(e) Submission of permits needed for operation/activity

Submission to the Bank of the operation permit and other permits issued by authorities and needed for the Client's business activity.

5. INTERESTS, FEES, COMMISSIONS, COSTS (HEREINAFTER

JOINTLY: 'COSTS')

5.1. Interest rate

5.1.1. The contractual interest (hereinafter: the '**Interest**') payable in relation to the Service, expressed in a % p.a., shall be calculated by applying the interest rate (hereinafter: the '**Interest Rate**') established by Bank as the sum of (a) a Reference Interest Rate plus Interest Margin of a certain annual rate, or (b) irrespective of the above, as a single, stand-alone Interest Rate. If the Interest Rate is established by a Reference Interest Rate plus Interest Margin of a certain annual rate then the prevailing minimum Interest Rate is equal to the rate of the Interest Margin².

5.1.2. According to the provisions of the Client Agreement, the Interest Rate may be fixed or variable.

(a) In the case of a fix (unchanged) Interest Rate the Interest Rate shall be established as fixed in advance for the entire or partial term of the Service.

(b) In the case of a Variable Interest Rate, the Interest Rate shall automatically change (i) on the first banking day of the Interest Period or on the date(s) specified in the Client Agreement, parallel with the changing of the Reference Interest Rate, and/or (ii) upon the unilateral amendment of the Interest Margin by the Bank in accordance with the terms and conditions applicable to contract amendment.

5.2. Interest Periods

Interest is calculated for consecutive periods of one or three months starting from particular calendar day(s) or disbursement date(s) (hereinafter individually referred to as an '**Interest Period**'), the first Interest Period starting from the day when the Service is first used by the Client and ending on the first Banking Day following this period. Subsequent Interest Periods start on the last day of the previous Interest Period and end on the first Banking Day of the next Interest Period, except if this last day falls beyond the Maturity Date, in which case the Maturity Date shall be the last day of this Interest Period.

5.3. Interest payment

Depending on the nature of the Service, Interest accrues and is charged at the applicable Interest Rate using the calculation method defined below for payments by the Bank to the Client under the Service. Any and all Interest accrued shall be payable ex-post and based on the amount of the outstanding Loan for each Interest Period, namely on the last day of each Interest Period (hereafter uniformly: '**Interest Payment Date**'), by calculating Interest for every day of the Interest Period except the last day. **The above does not apply to Overdraft Facilities, where calculations also include the last day, but not the Maturity Date.**

5.4. Alternative Reference Interest Rate

5.4.1. If the Reference Interest Rate specified in the Contract to establish the Interest Rate is unavailable for any reason whatsoever, or its use would be illegal, or due to reasons beyond the Bank's control, it does not accurately reflect the funding cost of the given Service to the Bank any more, including, in particular, any change in the quotation or

² The underlined provision shall be applied to Contracts concluded from September 15, 2016 and to which refer explicitly to this.



calculation methodology of a given Reference Interest Rate, the Bank shall notify the Client without any delay of this circumstance, and in such cases the Bank to determine the Interest Rate shall make a written offer to the Client on the applicable Alternative Reference Interest Rate base and, if justified by the maintenance of the economic balance of the Contract, on the adjustment interest rate (hereinafter collectively referred to as the '**Alternative Reference Interest Rate**'). The Bank shall prepare its offer, where available, in the light of legislative, regulatory, international professional organization recommendations and established financial market practice and with a view to maintaining the economic equilibrium of the Contract.

5.4.2. If the Client does not accept the Bank's offer and the Parties have not reached an agreement within 15 days of the receipt of the offer:

- (a) the Client – at the written request of the Bank – shall be obliged to repay all its debt existing pursuant to the Contract together with all its outstanding Interests and fees immediately;
- (b) starting from the first day of the Interest Period for which, according to the provisions of the Contract, the Interest Rate cannot be established, up to the day when the Parties come to an agreement concerning the Alternative Reference Interest Rate, or the Client has repaid its existing debt based on the Service, the Interest shall be calculated using the Interest Rate established at the Bank's sole and reasonable discretion;
- (c) irrespective of the other provisions of the Contract, the Bank shall not be obliged to provide the Service to the Client as of this date.

5.4.3. While such an Alternative Reference Interest Rate is in effect, the Bank shall review from time to time, but at least by Interest Periods, whether the circumstances described in the present section still prevail, in order to establish whether it is possible to revert to the original provisions of the Contract; except if the Parties agree in the course of negotiations that from there on they shall deem the agreed Alternative Reference Interest Rate as the contractual Reference Interest Rate.

5.4.4. 5.4.1-5.4.3 do not apply if the Bank unilaterally modifies the Interest Rate in accordance with Hpt. in a manner not unfavourable to the Client.

5.5. Default Interest

Should any amounts, payable by the Client pursuant to the Contract, not be paid by their due date, the Client shall be obliged to pay default interest (hereinafter: the '**Default Interest**') on the outstanding amount for the entire period between the due date and the actual payment, in addition to the interest identified in the Client Agreement. The rate of the Default Interest shall be published by the Bank in an Announcement.

5.6. Fees, Charges

Collection Fee: Should the Bank have to enforce its claim on the Client by issuing a collection order based on a letter of authorization in relation to one of the Client's accounts kept by another Bank, the Client shall be obliged to pay a Collection Fee to the Bank on the amount collected.

- It is based on: the amount received on the basis of the claim enforced using a collection order based on a letter of authorization.
- It is due: when the claim is received.

Assessment Fee: The Client shall have to pay an Assessment Fee to the Bank in relation to any credit, collateral or other assessment performed by Bank or its proxy each time an assessment or review is made, but at least once a year.

- It is based on: the total Commitment (Credit (Guarantee) Facility) amount.
- It is due: within five (5) Banking Days following the conclusion of the Contract and at each annual review during the term of the Contract, and when banking assessments are made related to the Contract on the same calendar day as the date of the opening of the Credit (Guarantee) Facility.

Urgent Handling Fee: If the Client requests the urgent assessment of his application for the Service, the Bank shall be entitled to charge an Urgent Handling Fee. The Client's request for urgent assessment shall be considered as executed if the contract concerned is signed or amended, or the requested Service is provided within 3 banking days after the Client's request for the Service has been received at the Bank.

- It is based on: the Commitment amount under urgent assessment.
- It is due: at the time of handling by the Bank.

Commitment Fee: The Client shall be obliged to pay a Commitment Fee to Bank on the unused part of the Service kept at its disposal by the Bank.

- It is based on: the unused (committed) amount provided through the Service. The Commitment Fee shall be charged starting from the first day and ending on the last day of the Commitment period, including the first day, but excluding the last day of such period, except for Overdraft Facilities, where the last day is also included.
- It is due: on the last day (in the case of an Overdraft Facility, on the last Banking Day) of every calendar month – if the last day of a calendar month is not a workday, then on the first (in the case of an Overdraft Facility, the last Banking Day before the workday) Banking Day following the banking holiday – always taking into account all the days passed.

Calculation formula: (Unused portion of the Service x Commitment Fee x Number of days) / 36,000

Capital Tie-Up Fee: The Client shall be obliged to pay a Capital Tie-Up Fee to Bank on the unused part of the Service that the Bank may terminate at any time.

- It is based on: the unused portion of the Service. The Capital Tie-Up Fee shall be charged starting from the first day and ending on the last day of the Commitment Period, including the first day, but excluding the last day of such period, except for Overdraft Facilities, where the last day is also included.



- It is due: on the last day (in the case of an Overdraft Facility, on the last Banking Day) of every calendar month – if the last day of a calendar month is not a workday, then on the first (in the case of an Overdraft Facility, the last Banking Day before the workday) Banking Day following the banking holiday always taking into account all the days passed.

Calculation formula: (Unused portion of the Service x Capital Tie-UP Fee x Number of days) / 36,000

Contracting Fee: The Bank shall charge a Contracting Fee for the conclusion of the contract or the provision of the Service.

- It is based on: the total Service (Credit (Guarantee) Facility) amount.
- It is due: within five (5) Banking Days following the conclusion of the Contract.

Contract Amendment Fee: A Contract Amendment Fee shall be charged each time the Contract is modified whether by the Client or the Bank for reasons arising on the Client's side (including particularly but not exclusively any changes occurring in the Client's business management for any reason whatsoever). The Client shall be charged no Contract Amendment Fee if the Contract is amended unilaterally by the Bank.

- It is based on: the total Commitment (Credit (Guarantee) Facility) amount affected by the amendment. If the basis cannot be determined, an individual agreement shall be used to specify it.
- It is due: on the date when the amendment becomes effective.

5.7. Cost of Various Services:

The Bank shall be entitled to charge the following fees and charges for the Services described above in Part II. in accordance with the effective Announcement and provisions of the Client Agreement:

Credit Commitment Fee: Upon issuing the Bank's binding offer for the Service, the Client shall be obliged to pay a Credit Commitment Fee.

- It is based on: the Commitment amount stated on the Credit Commitment.
- It is due: upon the issuance of the binding offer.

Disbursement fee (Commission): Pursuant to the Client Agreement, the Client shall be obliged to pay a Disbursement Fee on the payments made to it by the Bank.

- It is based on: the Loan amount disbursed under the Credit Facility / Amount of the Overdraft Facility.
- It is due: at the time of disbursing the Loan / making the Overdraft Facility available.

Project audit fee: The Client must pay to the Bank a project audit fee in conjunction with the Service to cover costs arising from a project audit conducted by the Bank or a party appointed by the Bank in a way provided by the Client Agreement, but at least once a year.

- It is based on: the Project amount.

- It is due: based on an individual agreement.

Credit review fee: A fee charged for the periodic confirmation of the Bank's positive opinion concerning a given Service, on an annual basis for each one-year period starting from the Start Date of Availability of an Overdraft Facility for Overdraft Facilities, or from the date of the first disbursement under the Credit Facility (facility review date).

- It is based on: the Overdraft Facility on the facility review date; in other cases: the credit amount.
- It is due: on the first banking day following the facility review date.

Loan management fee: The fee charged for continuous credit administration.

- It is based on: the outstanding credit amount.
- It is due: on a monthly basis as specified in the Client Agreement.

Administration Fee: In case of pre-payment or in case of providing the two days' written notice (three days' for FX payments) requesting the Service (drawdown) with delay, the Client shall be obliged to pay an Administration Fee to the Bank.

- It is based on: the repaid or used amount.
- It is due: at the time of any conversion performed not at the end of an Interest Period; at the time of the Pre-Payment; at the time of the Accelerated Drawdown.

Broken Funding Fee: In case of partial or full repayment of the Service – for any reason – before the due date as stipulated in the Client Agreement or on a date other than the interest fixing date, the Client shall be obliged to pay a Broken Funding Fee unless he notifies the Bank of the intention of voluntary repayment as of the interest fixing date, two days (three days for an FX based Service) in advance.

- It is based on: the to be repaid amount.
- It is due: at the time of any conversion performed not at the end of an Interest Period; at the due date of Repayment.

Guarantee Fee and Guarantee Commitment Fee: The Client shall be obliged to pay a Guarantee Fee / Guarantee Commitment Fee to the Bank for using the Guarantee Service.

- It is based on: the Guarantee / Guarantee Commitment amount.
- It is due: for short-term guarantees: in a lump sum, on the Bank Guarantee Issue Date; for long-term guarantees: a year in advance, with the first payment made not later than on the Issue Date and all other payments made on the calendar days matching the Issue Date every respective year.

Letter of Credit Opening Fee: the Client shall be obliged to pay a Letter of Credit Opening Fee to the Bank for using the Letter of Credit service.

- It is based on: the amount of the Letter of Credit.



- It is due: in a lump sum on the opening date of the Letter of Credit.

Document Examination Fee: If the Letter of Credit is used (drawn down), the Client shall be obliged to pay a Document Examination Fee to the Bank for examining the documents and the payment to be made under the Letter of Credit.

- It is based on: the amount drawn on the Letter of Credit.
- It is due: if the amount demanded is to be paid, then on the day when the documents are sent to the Applicant; if it falls through, then on the day when the documents are returned to the sender bank.

5.8. Specification of Costs

Interest and Commitment Fee payable under the Contract shall be calculated on the basis of a 360-day year and the days actually passed in the relevant calculation period.

The Bank shall explicitly reserve the right to charge other costs irrespective of and in addition to the Costs specified in the GCTC. The conditions (rates and other conditions) concerning all Costs incurred in connection with the given Service shall be contained in the effective Announcement, while Costs concerning a specific Client and/or Service shall be set out in the Client Agreement. Should the Client Agreement not stipulate the Costs, the stipulations of the effective Announcement shall apply.

6. PAYMENTS

6.1. Currency of payments

The Client shall be obliged to pay any amounts payable pursuant to the Contract entirely in HUF, or in the currency of the utilisation of the Service. Should any (re)payments be performed in a currency different from the currency of the Service, the Bank shall convert the payable amount using the relevant exchange rates specified in the Contract.

6.2. Place, time and method of payments

6.2.1. The Client shall be obliged to ensure the availability of sufficient funds on the Current Account kept by the Bank to allow the settlement of amounts becoming due pursuant to the Contract (a) on the given due date for payment obligations defined in HUF, (b) on the 3rd Working Day preceding the due date for payments defined in a foreign currency. If the Client wishes to repay the payment obligation defined in foreign currency, as well as any interest or fees by directly debiting the FX account kept by the Bank, funds sufficient to cover any outstanding FX debts shall have to be made available on such account on the due date.

6.2.2. Should the due date of the amount payable pursuant to the Contract fall on a day which is not a Working Day, the following Working Day shall become the due date of the given amount.

6.2.3. Unless otherwise stipulated, all payments owing to the Bank shall be made by debiting the outstanding amount automatically to the Client's Current Account kept by the Bank, without the Client's prior information/consent. If funds available on the Current Account are not sufficient to perform the debit, the Bank shall be entitled to debit the debt amount to any of the Client's accounts kept by the Bank, without the Client's prior information or order, after the fulfilment of any high-priority orders in compliance with the current money

movement regulations, but before any other orders. The Bank may also exercise this right in relation to the Client's fixed financial assets and deposits, independently of the maturity date thereof. The Client may not demand the reimbursement of any resulting loss of interest. In addition, if the Bank requests him to do so, the Client shall be obliged to authorise the Bank to meet any of the Bank's financial claims, resulting from the Contract and unpaid by the Client by issuing a prompt collection order in relation to the Client's current accounts and any other accounts in relation to which a prompt collection order may be submitted, kept by other financial institutions.

7. WARRANTY STATEMENTS

7.1. The Client shall make the following warranty statements to the Bank:

- The Client is an organisation established – if its establishment requires registration – registered and operating lawfully under Hungarian (or its own national) law.
- The Contract represents a lawful, valid and binding commitment which is enforceable pursuant to the prevailing conditions contained therein.
- The Client is entitled to conclude the Contract and perform any obligations deriving therefrom, and he has obtained all required approvals and licenses, and taken all necessary steps to ensure that the Contract, as well as the transaction set out by the Contract, is concluded in a valid manner and any resulting obligations are met.
- The Client has not breached any contract (to which he is a contracting party, or which may be binding upon him) which would influence his ability to perform his obligations according to the Contract, or comply with its provisions.
- The conclusion of the Contract and the transaction specified therein and its performance shall not be in conflict with (a) any legal regulation, provision, or court ruling, resolution of authority; and (either at present or in the future) (b) with the company documents of the Client (if any); or (c) any contract or other document embodying an obligation of the Client.
- The contractual obligations of the Client enjoy and shall enjoy at least an equal ranking and classification in terms of the order of the fulfilment of such obligations with other unsecured and unsubordinated obligations, except for those given priority by the force of law.
- The financial statements handed over by the Client to Bank (a) were prepared pursuant to the effective accounting provisions; and (b) reflect a true picture of the financial status of the Client – as at the date of the statement –, and no material adverse changes occurred in his financial status since that date.
- All information, reports and statements handed over to Bank in connection with the Contract were and remain to be true and correct in every respect, and no facts have been omitted which could render such statements misleading.
- The Client does not have significant debts and/or collaterals provided by him, in addition to what is revealed to the Bank in writing.

- j) There are no litigations or non-litigious proceedings in progress either with an ordinary court or a court of arbitration, and there are no public administration proceedings in place (or, at least according to the best knowledge of the Client, there are no such proceedings suspended or threatening) the adverse outcome of which would have a significantly adverse effect on the business of the Client, the financial status, or the ability thereof to perform his obligations originating from the Contract.

7.2. The above warranty statements shall be considered made (a) at the time of concluding the Contract; and (b) such statements shall be considered repeated on each day when the Client utilises a Service from the Bank pursuant to the Contract.

8. COMMITMENTS

Starting from the date of signing the Contract, up to the last day of the period during which any debt exists or may occur pursuant to the Contract, the Client shall undertake the following obligations:

8.1. The Client shall ensure that his contractual obligations deriving from the Contract shall rank at least equally, in terms of the order of the fulfilment of such contractual obligations, both at present and in the future, as all other current and future unsecured and unsubordinated obligations of his, except for those given priority by the force of law. If the Client or any third party provide collateral for the (partial or full) repayment of the Client's debt outstanding to another creditor, the Client shall be obliged to offer to the Bank either the same collateral or a collateral deemed to be of equal value by the Bank (*pari passu*).

8.2. Without the prior written consent of Bank the Client shall not sign any credit, loan, guarantee, leasing or factoring contract, shall not involve other loan-type sources (in particular, but not exclusively through bond issues)³ or provide collateral to cover a claim of a third party creditor on any third party (including but not limited to any type of pledge, collateralised deposits, transfer of title over receivables or other assets for security, (unconditional) payment guarantee, guarantee, comfort letter, authorisation for a prompt collection order) (negative pledge).

8.3. The non-Municipality Client hereby undertakes that, during the lifetime of the Client Contract, he shall only open new current account(s) with other financial institutions with the Bank's prior written notification. If the Bank provides any of the Services at discounted fees, charges or interest rates (hereinafter, jointly: conditions), compared to the terms and conditions included in the latest effective Announcement, *and in the case of all Services provided with non-preferential conditions*, the Client agrees that, during the lifetime of the Client Agreement, the volume of turnover on his Current Account (including any FX account(s) held in any currency) will be in proportion to the Service in question. Pro-rata account turnover is defined as the total of debit transactions (presented as debit on the Current Account statement) in relation to all of the Client's current accounts, held by any credit institution, multiplied by the Client's with the Bank contracted Services portfolio during the lifetime of the Client Agreement, divided by the Client's total Services portfolio

during the lifetime of the Client Agreement, contracted with all of the Client's credit institutions (account turnover clause).

The Bank shall assess the fulfilment of the pro-rata account turnover requirement retrospectively, at the latest by the end of the first six-month period following the end of the subject year, using the data available and the statements requested from the Client. The Client shall be obliged to provide the Bank with any statements and/or other information requested for the purposes of such assessment. Failing to meet the pro-rata turnover requirement, the Bank shall be authorised to charge the difference between the preferential conditions and the conditions published in the Announcement, to the Client, for the subject year and shall notify the Client of this measure.

8.4. The Client shall undertake a commitment to hand over to the Bank:

- a) for a Client subject to the Accounting Act: its annual (audited) report (for Municipality clients the detailed approved core annual budget) prepared pursuant to the provisions of effective accounting provision(s) – subject to the legal provision obliging him to prepare it – immediately upon its completion (but definitely not later than the 160th day following the end of the given financial year);

for a Client not subject to the Accounting Act: its income tax return prepared pursuant to the provisions of the effective legal regulation on personal income tax, immediately upon its completion (but definitely not later than the 70th day following the end of the given calendar year);
- b) its non-audited management reports prepared for the previous six months within 45 days following each financial half-year;
- c) *in the format required by the Bank, no later than by the 30th calendar day following the calendar quarter, its financial statements (trial balance / trade receivables, trade payables and inventories, stocks);*
- d) *in the format required by the Bank, no later than by the 30th calendar day following the calendar quarter, the financial statements of non-natural person entities belonging to its company group (trial balance / trade receivables, trade payables and inventories, stocks). For the purposes of this provision, company group shall mean a group of entities comprising of a parent company, its subsidiaries and other enterprises in which the parent company or its subsidiary has a controlling interest or shareholding;*
- e) *an aging report including all accounts payable stated in the accounting records, no later than by the 30th calendar day following the calendar quarter;*
- f) *an aging report including all accounts receivable stated in the accounting records, no later than by the 30th calendar day following the calendar quarter; and*
- g) all other relevant financial or other information, which is necessary for the Bank to receive a true and fair picture

³ The underlined provision shall be applied to Contracts concluded from 23 March 2020 and to which expressly refer to it.



under the given circumstances on the financial status and the economic standing of the Client.

The provisions of Sections (b)-(f) are not applicable to Municipality Clients.

8.5. The Client shall be obliged to notify the Bank immediately of

- a) any Breach of Contract (and the possible steps taken to remedy them), as soon as it becomes aware of their existence;
- b) its decisions, if any, concerning the initiation of a bankruptcy, liquidation, debt settlement or voluntary dissolution procedure before the relevant application is submitted to the court;
- c) any liquidation or debt settlement process initiated or planned by any of its creditors, should it become aware thereof;
- d) a court ruling or resolution by authorities (irrespective of whether they are final or not) obliging the Client to pay a significant amount of money;
- e) any prohibition, limitation or other type of sanction levied by any authority or court in relation to its scope of activities or actual activities;
- f) any enforcement process or act, or seizure of property performed or attempted against it;
- g) for non-Municipality Clients, any change in ownership or ownership structure;
- h) the sale of its participation in other companies, or the acquisition of such participation;
- i) any changes in the Client's management or the person of its chief executives;
- j) any debt outstanding in relation to any third party which has been overdue for more than 30 days, but remained unpaid;
- k) the taking out of a credit or loan, *the conclusion of a guarantee or leasing contract*, or the undertaking of a guarantee following the conclusion of the Contract (for the sake of clarity it is recorded that this notification obligation is in addition to the rule stated in Section 8.2).

8.6. The non-Municipality Client shall undertake not to sell, transfer, rent out, or place its total assets, or a significant portion of such assets, at the disposal of other persons in any other way; either within the framework of a transaction or a series of such transactions (irrespective of whether such transactions are linked or not). This provision shall not be applicable to

- a) the replacement of assets with new assets similar or better in type, value and quantity than the sold ones;
- b) the sale of surplus assets at market value; or
- c) a sale in the course of the Client's ordinary business activities. (prohibition of alienation)

8.7. The Client may enter into a transaction with its affiliates/interests only within its ordinary course of business and only under conditions which are not less favourable than

the conditions it could have achieved with a similar company outside its sphere of interest.

8.8. The non-Municipality Client shall not perform a merger, de-merger or any significant financial reorganisation without the prior written notification of the Bank.

8.9. During the lifetime of the Contract, the Client shall be obliged to ensure that the Bank or its authorised representative may check the authenticity of warranty statements included in the Contract, the performance of commitments, the financial status of the Client and the existence and status of Collaterals using any method they prefer.

If, as a result of such examination conducted by an expert hired by the Bank, it is established that the Client provided the Bank with inaccurate, false or misleading information, or documents containing deceptive, forged or false data, the Client shall be liable to pay the Bank, against an invoice, the full expert fee as well as all other certified Bank expenses incurred in connection with the examination.

In the event the services of an expert are required because

- a) a liquidation order has been demanded against the Client, or
- b) the information/documents provided to the Bank by the Client are contradictory, or
- c) a Breach of Contract occurs,

the Client shall pay the Bank, against an invoice, the expert fee as well as all other certified Bank expenses incurred in connection with the examination, up to one percent of the Bank's total exposure towards the Client on the date the expert is hired. (hiring an expert)

8.10. The Client shall undertake to fully insure (and shall maintain such insurance) assets which may be insured due to their nature against all risks which normally occur within companies performing similar business activities. The upper limit of the insurance benefit (which must not exceed the amount of the insurable interest) and the deductible amount (if any) shall have to be established in such a way that the maximum amount of insurance benefit to be paid by the insurance company should not be lower than the highest possible amount of the Client's payment obligations under the Contract. The Client shall be obliged to maintain the insurance coverage for the entire period while such assets serve as collateral for the Bank's claims. *The Client undertakes the obligation to present to the Bank the document (e.g. insurance policy) that confirms the existence of insurance coverage for the asset(s) specified in the Collateral Contract and may be insured due to their nature, as well as in order to confirm that premium is duly paid (i) the insurer's certificate to this effect, or (ii) the bank account statement(s), or (iii) receipts of cash deposit, and a document verifying that the mortgage/pledge has been reported to the insurer.* (insurance)

8.11. The Client undertakes that if there is a change in its owners or in the ownership ratios of the owners, after which the joint ownership share of their – on the date of signature of the Client Agreement – existing owners or the proportion of their voting rights will fall below 50+1% and the Bank, in view of these circumstances and according to its own judgement, calls the Client for the mandatory pre-payment of



its entire outstanding debt to the Bank, the Client shall fulfil the requirements indicated in such notice, by the deadline specified therein.⁴

8.12. The Client undertakes that the general nature of the business activities of the Client or the interests of the Client will not change significantly compared to the activities carried out on the day of concluding the Client Agreement.⁵

8.13. In addition to those indicated above, the Client acknowledges and accepts commitments that are stipulated in the Client Agreement. The content of the following commitments is set forth in this provision of the GCTC:

a) Debt/EBITDA:

The Client undertakes that during the entire term of the Client Agreement, the ratio calculated as the principal amount of loans outstanding and used at any financial institution (including, among others, investment and development loans + short-term loans + financial lease facilities) divided by (the sum of operating P&L + depreciation) does not exceed the value specified in the Client Agreement.

The Bank shall be entitled to check, at least once a year, the fulfilment of the prescribed financial ratio on the basis of the official annual financial statements submitted to the Court of Registration.

b) Debt/equity:

The Client undertakes that during the entire term of the Client Agreement, the ratio calculated as the principal amount of loans outstanding and used at any financial institution (including, among others, investment and development loans + short-term loans + financial lease facilities) divided by the equity does not exceed the value specified in the Client Agreement.

The Bank shall be entitled to check, at least once a year, the fulfilment of the prescribed financial ratio on the basis of the official annual financial statements submitted to the Court of Registration.

c) Capital expenditures (CAPEX):

The Client undertakes that during the entire term of the Client Agreement, the sum calculated as ((Fixed assets in the subject year – Fixed assets in the year preceding the subject year) + Depreciation in the subject year) does not exceed the value specified jointly with the Bank for the various years in view of the business plan prepared by the Client and indicated in the Client Agreement. The Bank's prior written consent is required for any capital expenditure over and beyond this.

d) Debt service coverage ratio (DSCR):

The Client undertakes that during the entire term of the Client Agreement, the debt service coverage ratio ((Operating P&L + Depreciation) / (Principal repayments on long-term credit facilities, bonds and loans due in the subject year + interest and interest-type expenses payable in the subject year)), complies at least with the

value specified in the Client Agreement.

The Bank shall be entitled to check, at least once a year, the fulfilment of the prescribed financial ratio on the basis of the official annual financial statements submitted to the Court of Registration.

e) Continuous repayment:

The Client acknowledges that the Bank will use the amounts arriving at the Client's dedicated account kept with the Bank and specified in the Client Agreement immediately for the repayment of the Client's outstanding loan debts under the Client Agreement.

f) Mandatory pre-payment (early repayment):

The Client undertakes that if (i) any change occurs in the owners or the shareholdings of owners, or (ii) its shareholdings in other companies are sold, or such shareholdings are acquired, or (iii) any other change occurs in the Client's ownership structure, and the Bank, in view of these circumstances and according to its own judgement, calls the Client for the mandatory pre-payment of its entire outstanding debt to the Bank, the Client shall fulfil the requirements indicated in such notice, by the deadline specified therein.

g) Debt financing clause:

The Client undertakes that during the entire term of the Client Agreement, the account turnover related to the financed debt under the Loan Purpose indicated in the Client Agreement is channelled to its account(s) kept with the Bank and specified in the Client Agreement.

h) Borrowing base financing:

The Client undertakes that during the entire term of the Client Agreement, its loan debt outstanding under the Client Agreement does not exceed such percentage of the sum of non-overdue trade receivables and inventories that is specified in the Client Agreement.

i) Maintenance of subordination of loans:

The Client declares and agrees to maintain the loan granted by its owner as subordinated loan (i.e. a loan that is subordinated to the Bank's facility), and to repay (even a part of) such loan – during the effective period of the Agreement – only with the Bank's prior written consent.

j) Limitation on dividend payment – prior notification:

The Client undertakes not to submit, during the effective period of the Client Agreement, a proposal on dividend payment to the Client's highest decision-making body without notifying the Bank thereof in writing and in advance. The submission of a proposal without such notification constitutes a serious breach of contract.

k) Limitation on dividend payment – prior consent:

The Client undertakes not to submit, during the effective period of the Client Agreement, a proposal on dividend payment to the Client's highest decision-making body without the Bank's prior written consent. The submission

⁴ The undertaking referred to in point 8.11. shall apply to Contracts concluded from 19.05.2021 and to those Contracts which expressly refer to this.

⁵ The undertaking referred to in point 8.12. shall apply to Contracts concluded from 19.05.2021 and to those Contracts which expressly refer to this.



of a proposal without such notification constitutes a serious breach of contract. The Client undertakes to inform its owners about this limitation.

l) Collection right granted for existing and future accounts:

The Client shall be obliged to ensure that the Bank has a right to submit a (prompt) collection order based on a letter of authorization for any of the Client's corporate current accounts managed at the Bank or other credit institutions, and shall be obliged to submit the confirmed letter of authorization. Furthermore, the Client agrees that whenever it opens a new corporate current account at another credit institution with the prior written consent of the Bank during the term of the Client Agreement, it shall grant the Bank a (prompt) collection right based on a letter of authorization for such an account at the time of opening it. The Client is not obliged to ensure a collection right based on a letter of authorization for those corporate current accounts only in the case of which it has already waived this right under a credit agreement or loan agreement concluded under the Széchenyi Card Program.

9. BREACH OF CONTRACT AND LEGAL REMEDIES

9.1. Breach of Contract

For the purposes of the Contract, any of the events listed under the present section shall individually be considered a Breach of Contract, or a circumstance justifying the utilisation of legal remedies by the Bank:

- a) The Client fails to pay any amount becoming due pursuant to the Contract, on its due date.
- b) The Client fails to comply with any other provision of the Contract (in addition to the ones mentioned in this section 9.1.) and this failure is not remedied (if it can be remedied at all) within 15 (fifteen) Working Days after the Bank's relevant notice of such breach. The deadline to remedy a Breach of Contract is 5 (five) Working Days if the Breach of Contract is construed as (i) a breach of some commitment identified in section 8, or (ii) a breach of the Client's contractual financial obligation, or (iii) a breach of any other obligation that has an adverse affect on monitoring the evolution of the Client's asset position or on the Client's solvency (including particularly the Client's commitment to provide information, to submit documents or to ensure inspection of collateral as well as the obligations undertaken in the Collateral Contracts).
- c) Any statement or declaration made by the Client in the Contract, or in connection therewith, prove to be materially incorrect, as at the time when such statements or declarations were made or repeated or should the provisions of the statement or declaration be inconsistent with the actual state of affairs at any time (particularly if they refer to the Client's shareholding structure).
- d) If a breach of contract occurs in a contract representing a significant financial obligation of the Client or any of the Client's affiliates, based on the conditions of documents specifying such financial obligation, or if it violates a contract concluded with any company within the Bank's sphere of interest. In terms of the application

of this provision, any financial obligation shall be deemed significant if it exceeds, including its charges, 2% of the Client's total liabilities to the Bank outstanding at the given date under any legal title, but at least HUF 250,000. (cross default)

- e)
 - (i) the Court of first instance orders the liquidation, debt settlement process or imposed removal from the registry of the Client in a ruling, or
 - (ii) a legally effective process has been launched against the Client for its liquidation, bankruptcy, voluntary dissolution or imposed removal from the registry; or
 - (iii) the appropriate body of the Client is called in order to make a decision concerning the bankruptcy, liquidation, debt settlement or voluntary dissolution of the Client (except for voluntary mergers, reorganisations, fusions or other equivalent procedures which take place not due to insolvency and of which the Client has informed the Bank in advance); or
 - (iv) any third party initiates the liquidation or debt settlement process of the Client (except if the Client objects to it in good faith and in a manner which is satisfactory for the Bank, within the time period open for such objection).
- f) A significant change occurs in the circumstances of the Client or the Bank compared to that in consideration of which the Contract was concluded, and therefore the performance of the Contract or further maintenance of the Contract cannot be expected any longer. (material adverse change)
- g) The value, validity, effect or full enforceability of any of the Collaterals ceases or decreases for any reason, especially if a lien or any other encumbrance is granted in favour of a third party without the Bank's consent, or an enforcement process is put in progress.
- h) The Client uses the resources originating from the Service for purposes other than the purpose of utilisation specified in the Contract, or the usage of the funds for this purpose is impossible.
- i) If according to any legal provisions or their modifications or regulations of authorities fulfilment of the obligations of the Contract or the continuation of the Contract become illegal for any contractual party, or if, due to changes in the non-Municipality Client's ownership structure, the Bank could not meet the prevailing regulations set out for banks concerning legal lending limits. In the latter case the Bank shall be entitled to cancel the Contract to the extent which still allows him to meet the stipulations of legal provisions.
- j) A transfer order or transfer order ruling imposed by an authority is received in respect of the Client's Current Account, the amount of which refers to the deterioration of the Client's financial status, and therefore the fulfilment of obligations owing to the Bank is in jeopardy.
- k) Enforcement or recovery proceeding is launched on all or part of the Client's assets or it is seized, attached,



confiscated, expropriated or any act occurs having a similar effect under applicable law.⁶

9.2. Legal remedies

In case of a Breach of Contract (and any time following its occurrence, if such breach has not been remedied and the Bank has not waived its claim in relation thereto), the Bank may, with immediate effect, and without affecting its other legal remedy options:

- a) suspend the performance of any payment orders given by the Client to the Bank to the debit of an account kept by the Bank (irrespective of whether the payment transfer order was submitted to the Bank before or after the occurrence of the Breach of Contract); in which case the Bank shall not be held responsible for any damage or loss suffered by the Client as a result of the above; and/or
- b) unilaterally convert the Service performed for, or the debt of the Client existing in foreign currency – irrespective of whether it is overdue or not – to HUF, and continue keeping it in the books it as such, as well as apply the interest and other conditions applicable to HUF based Services; and/or
- c) refuse the provision of the Service to be provided to the Client pursuant to the Contract, or terminate the Contract with immediate effect, on the basis of which all obligations of the Bank pursuant to the Contract shall cease immediately; and/or
- d) declare any payment obligations due, together with any cumulated interests and fees; based on which they become immediately due and payable; and/or
- e) oblige the Client to offer Collateral or to supplement the Collateral; and/or
- f) exercise its rights in relation to any or all of the Collaterals (in the sequence and to the extent identified at its own discretion); and/or
- g) exercise all its rights and possibilities granted to it by the effective legal and authority provisions.

⁶ 9.1. k) shall apply to Contracts concluded from 19.05.2021 and to those Contracts which expressly refer to this.



II. INDIVIDUAL SERVICES AND RELATED CONTRACTUAL TERMS AND CONDITIONS

1. WORKING CAPITAL CREDIT AGREEMENT AND INVESTMENT/DEVELOPMENT CREDIT AGREEMENT

1.1. Additional Definitions

'Disbursement Date': shall mean the date on which a Loan is disbursed to the Client.

'Purpose of Loan': the purpose specifically defined in the Client Agreement, for which the Client shall utilise the Loans or any other Services related to them; in case of investment/development credits the Purpose of Loan shall refer to the implementation of the Project specified in the Client Agreement.

'Loan(s)': loan(s) disbursed to the Client against the Credit Facility, based on the Contract, for the purposes of the implementation of the 'Purpose of Loan' specified in the Client Agreement.

'Project': investment, development specified in the Client Agreement.

1.2. Credit Facility, Utilisation, Disbursement

1.2.1. The Bank shall keep a Credit Facility at the Client's disposal, to be utilised according to the provisions of the Contract, based on which the Bank shall provide the Client Loans in the maximum amount specified in the Client Agreement (hereinafter: the **'Credit Facility'**) during the Commitment Period (if defined in the Client Agreement), in the currency specified by the Client Agreement. If the Credit Facility is of a revolving nature, the Client may automatically re-utilise the amount of Loans repaid by the Client in such a way that allows the disbursement of new Loans to the Client using these amounts (as well as any unused parts of the Credit Facility), pursuant to the provisions of the Contract.

1.2.2. The utilisation of the Credit Facility may take place in the way established in the Client Agreement, as follows:

- a) after the Contract enters into force (upon the fulfilment of all Pre-conditions) the Bank shall place the Loan corresponding to the amount of the Credit Facility, at the Client's disposal in a lump sum, on the Disbursement Date; or
- b) the utilisation of the Credit Facility shall take place according to the draw-down schedule specified in the Client Agreement (hereinafter: the **'Drawdown Schedule'**) in such a way that, should the conditions contained in the Contract be fulfilled, the Bank shall credit the amount of Loans to the Client's Current Account or to the account identified by the Client, without any further notice given to the Client on the Disbursement Date specified in the Drawdown Schedule; or
- c) The Client may draw down the Credit Facility by submitting to the Bank a suitably completed application, as per the format defined in the appendix of the Client Agreement (hereinafter: the **'Drawdown Notice'**). The utilisation of the Credit Facility shall always be subject to the fulfilment of all Pre-conditions. The Drawdown Notice shall only be considered valid if

- (i) it indicates the planned Disbursement Date of the requested Loan (which cannot be later than the last day of the Commitment Period);
- (ii) it defines the principal amount of the requested Loan as per the Client Agreement, which cannot be less than HUF 1,000,000 or its equivalent in foreign currency;
- (iii) the principal amount of the Loan requested to be disbursed on the given Disbursement Date is an amount which, together with other Loans outstanding on that day, or to be disbursed at a later date, shall not exceed the amount of the Credit Facility;
- (iv) the Bank receives it by 10.00 a.m. on the 2nd Working Day preceding the Disbursement Date, and for FX loans, by 10 a.m. on the 3rd Working Day preceding the Disbursement Date;
- (v) the other document(s) specified in the Client Agreement are attached to it.

A Drawdown Notice not complying with all of the above conditions shall be considered invalid, unless the Bank explicitly waives the fulfilment of any of the conditions. The submission of the Drawdown Notice to the Bank shall signify the Client's irrevocable commitment to utilize the Loan specified therein with the terms and conditions thereof.

- d) If the Credit Facility is of revolving nature, any further utilisation of the Credit Facility following the first drawdown by the Client shall only be possible on the basis of a Drawdown Notice, complying with the above provisions relating to Drawdown Notices, even if the first drawdown was subject of a Drawdown Notice.
- e) With closing the counters on the last day of the Commitment Period the unused part of the Credit Facility shall automatically be cancelled, after which the disbursement of further Loans shall not be possible against it.

1.2.3. Unless otherwise agreed by the Parties (and subject to the fulfilment of each and every contractual condition), the Bank shall credit the principal of the Loan drawn down, to the Client's Current Account kept by the Bank on the given Disbursement Date. In contrast to above the Client Agreement may stipulate that the Bank shall pay the value of the invoice presented by the Client directly to the Beneficiary thereof.

1.3. Purpose of the Loans

The Client may utilise its revenues originating from the Loans exclusively for the Purpose of the Loan specifically set out in the Client Agreement. The Bank shall be entitled to monitor the utilisation of the Loans and – if it is required so by any legal, authority or contractual provisions – verify it as well. Unless expressly otherwise provided by the Client Agreement, the tax content of the invoices must not be financed.

1.4. Repayment of Loans; Pre-payment

1.4.1. The Client shall be obliged to repay to the Bank the total outstanding Loan disbursed against the Credit Facility as provided by the Client Agreement, as follows:



- a) on the Maturity Date the Client shall be obliged to repay all the outstanding Loans to the Bank; or
- b) during the term of the Credit Facility the Client shall continuously repay all the outstanding Loans to the Bank, divided into equal or differing instalments; or
- c) the Client shall be obliged to repay the outstanding Loans to the Bank according to the repayment schedule specified in the Client Agreement (hereinafter: the **'Repayment Schedule'**). Should the Client not utilise the entire amount of the Credit Facility during the Commitment Period, the amount of repayment instalment(s) specified in the Repayment Schedule becoming due last shall be reduced by the amount of the difference between the Credit Facility and the actually utilised Loans.

1.4.2. The Client shall be entitled to repay Loans prior to their due dates in compliance with the following provisions:

- a) The Client shall be obliged to hand over a written notice to Bank about the planned pre-payment (hereinafter: the **'Pre-payment Notice'**), in the form specified in the appendix of the Client Agreement, in which it shall define the (i) planned pre-payment date, and (ii) the amount of the planned pre-payment.
- b) For (i) HUF-based services, the Bank shall have to receive the Pre-payment Notice by 10.00 a.m. of the second Working Day preceding the date of the pre-payment indicated therein, at the latest, and (ii) for FX-based Services by 10.00 a.m. on the third Working Day preceding the day of the pre-payment.
- c) If specified by the Client Agreement, the Loan (portion) to be repaid shall have to be the minimum amount according to the Client Agreement or its exact multiples, or shall have to be identical to the total amount of the Loans outstanding at the time of the pre-payment.
- d) On the day of the pre-payment the Client shall be obliged to pay all the pro-rata unpaid Interests and the fees, due for the time period between the pre-payment date and the Interest Payment Date preceding the pre-payment date, as well as the Broken Funding Fee and Administration Fee set out in the effective Announcement.
- e) Pre-payments may only take place in compliance with the provisions of the Contract.
- f) The delivery of the Pre-payment Notice to the Bank shall represent an irrevocable commitment by the Borrower to prepay the Loan in question, based on the conditions specified therein.
- g) Pre-paid amounts shall reduce the amount of the repayment instalments becoming due last.

1.4.3. Should the currency of the Credit Facility and the disbursed Loan(s) be different, and should, as a result of exchange rate changes, the amount of outstanding Loan(s) exceed the Credit Facility by an amount that would result in the Bank violating the relevant legal provisions of Bank (e.g. legal lending limits), the Client shall be obliged to repay, with immediate effect, the amount of the difference specified by the Bank, or comply with any other measures reasonably requested by Bank.

1.5. Representations and commitments relating to the Project

- a) The Client hereby represents that the Project is in full compliance with all technical, safety, environmental protection, health and all other administrative and legal provisions related thereto, and holds all the permits necessary for the implementation thereof.
- b) In connection with the Project the Client shall agree to:
 - (i) provide the Bank, with immediate effect, all documents, statements and information, upon the Bank's request, which the Bank deems necessary for the monitoring and control of the Project's technical and financial status and the implementation thereof;
 - (ii) provide the Bank, during the term of the Contract, with all financial and technical statements and reports which are in connection with the Project, in a way and to the extent specified in the Client Agreement;
 - (iii) notify the Bank, with immediate effect and in writing, of all facts, events, or circumstances which may affect or delay the implementation of the Project;
 - (iv) enable the Bank's representatives and proxies to monitor the implementation of the Project both by way of investigating its books and on-the-spot audits performed at the Project location;
 - (v) utilise the Loan(s) exclusively for the implementation of the Project;
 - (vi) do anything within its powers to implement the Project by the specified deadline, in compliance with the technical specifications identified, to the highest possible standards;
 - (vii) fully comply with all relevant technical, legal, environmental protection and other regulations during the implementation of the Project;
 - (viii) obtain all the permits necessary for the implementation and normal operation of the Project, at the earliest time legally possible (which, due to their nature, were not possible to obtain prior to the disbursement of the Loans);
 - (ix) keep separate records suitable for the conduct of audits related to the Project (in relation to the utilised funds, expenses, costs, procured goods, services and any profits resulting from the implementation).

2. OVERDRAFT FACILITY AGREEMENT

2.1. Additional Definitions

'Overdraft Balance': the current interest-bearing debit balance of the Current Account as specified in the General Contractual Terms and Conditions concerning payment and deposit services provided to corporate clients – which, however, may not exceed the amount of the contracted Overdraft Facility – in relation to which the Bank's statements serve as decisive proof, unless the opposite is proven.

'Day of Availability': the day specified in the Client Agreement as such, on which the Bank shall open the Overdraft Facility for the benefit of the Client.

2.2. Overdraft Facility



2.2.1. In compliance with the provisions of the Contract, the Bank shall make an overdraft facility (hereinafter '**Overdraft Facility**') available to the Client, on the Date of Availability for the Commitment Period set out in the Client Agreement, in an amount also identified in the Client Agreement. Based on this facility, the Bank shall continue to fulfil payment orders submitted to the debit of the Current Account, even if there are no funds available on the Current Account, right until the Overdraft Balance reaches the Overdraft Facility Limit. The Client's debt, generated in this way, may be reduced at any time, by any amount, by making a deposit or a transfer to the credit of the Current Account, following which any such amount credited shall automatically become available for use, as part of the facility amount.

2.2.2. The Interest Period is the period between the Date of Availability and the last Banking Day of the calendar month of the Date of Availability and, following that, in each case, the period starting on the day after the last day of the previous Interest Period and ending on the last Banking Day of the next calendar month; however, if the last Banking Day would be after the Maturity Date, then the last day of the Interest Period will be the Maturity Date. With respect to the last Interest Period, the day on which the Contract terminates for any reason shall be equivalent to the Maturity Date.

2.2.3. The annual Interest Rate serving as the basis for calculating the Interest payable on the daily Overdraft Balance outstanding under the Overdraft Facility will change daily, according to, simultaneously with and at the same rate as the governing Reference Interest Rate effective on the given banking date.

2.2.4. The Bank shall be entitled to refuse the performance of any payment order from the Overdraft Facility with immediate effect (hereinafter: '**Suspension**') or terminate the Contract with immediate effect upon a Breach of Contract. The Bank will cease the Suspension and resume disbursements when it believes that the Suspension is no longer reasonable. The Suspension shall not affect the Maturity of the formerly utilized Overdraft Facilities. The Bank shall forthwith inform the Client on the Suspension and the termination thereof. The Bank shall be entitled to exercise its right to terminate the Contract with immediate effect during the term of the Suspension as well.

2.2.5. The Overdraft Facility is linked to the Client's Current Account. The Client Agreement shall only be valid together with the contract serving as the basis for the Client's Current Account. Its termination in any manner shall automatically terminate the Client Agreement as well.

2.3. Repayment

2.3.1. The Client shall be obliged to repay the Overdraft Balance to the Bank in such a way that ensures that the balance is eliminated by way of transfer or deposit into the Current Account, by the Maturity Date, at the latest, or on the day of the termination of the Contract for any reason, by 12.00 noon (also considering the increase of the Overdraft Balance as a result of debiting any Interests or Fees, becoming due on the Maturity Date, to the Current Account). The amount of the Overdraft Balance not paid by the due date is automatically registered by the Bank as an overdue loan, for which annual default interest is charged according to the Announcement.

2.3.2. The amount of Interest and Fees becoming due under the Contract shall be debited to the Current Account by the Bank on the given due date. Thus, these amounts shall be added to (any) Overdraft Balance. When the amount of the debits performed by the Bank as set out under this section exceeds the then-current Overdraft Balance (hereinafter: the '**Unauthorised Loan**'), the Client shall be obliged to pay interest (hereinafter: '**Unauthorised Loan Interest**') as set out in the Announcement, for all days when the Unauthorised Loan is still outstanding.

3. BANK GUARANTEE ISSUE ORDER AGREEMENT AND FRAMEWORK AGREEMENT

3.1. Additional Definitions

'**Bank Guarantee**': refers to any bank guarantee statement (payment, good performance, bid bond, or other) issued by the Bank, based on the Client's order, in compliance with the Contract and in the form and with the content specified in the appendix of the Client Agreement. Wherever the Contract refers to the 'Guarantee', it is to be construed as 'Bank Guarantee'. By issuing a Bank Guarantee, the Bank assumes unilateral and independent responsibility for the Client's performance or the performance of a third party appointed by the Client, based on which the Bank shall make payment in compliance with the terms and conditions set out in the Bank Guarantee. Depending on the nature of the Client's order, the Bank Guarantee may be unconditional or conditional, subject to certain conditions, including, in particular, the presentation of certain documents. Unless otherwise stipulated, Bank Guarantees are irrevocable.

'**Bank Guarantee Commitment**': a commitment for issuing a Bank Guarantee executed by the Bank based on the Client's instructions, in the form and with the content specified in the appendix of the Client Agreement.

'**Issue Order**': instructions by the Client ordering the issue of a Bank Guarantee Commitment and/or a Bank Guarantee based on it, in the form defined in the appendix of the Client Agreement or an order transmitted through the Flexims electronic portal.

'**Date of Issue**': the date on which a Bank Guarantee is issued.

'**Final Maturity Date**': a deadline specified as such in the Client Agreement, which cannot be exceeded by the maturity of any of the Bank Guarantees issued against the Facility.

3.2. Bank Guarantee issue order agreement; issuing an individual Bank Guarantee

Pursuant to the Bank Guarantee issue order agreement, the Bank shall issue a Bank Guarantee based on the conditions set out in the mandate duly signed by the Client and handed over to Bank or in the order transmitted through the Flexims electronic portal and/or the stipulations of the Client Agreement.

3.3. Bank Guarantee issue order framework agreement; Facility, utilisation, issue

3.3.1. Based on the Bank Guarantee issue order framework agreement, the Bank shall keep a guarantee facility (hereinafter: the '**Facility**') at the disposal of the Client, in accordance with the provisions of the Contract, on the basis of which the Bank shall issue Bank Guarantee(s) in

compliance with the Client's instructions, during the Commitment Period, subject to the following:

- a) the total amount of Bank Guarantees issued by Bank on the basis of which the Bank still may have a payment obligation, or on the basis of which the Bank has had a payment obligation, but the Client has not yet repaid them to the Bank, in line with the Contract's stipulations may not, at any time, exceed the line amount defined in the Client Agreement (hereinafter: the '**Facility Amount**'); and the last day on which the Bank may have a payment obligation occurring on the basis of a Bank Guarantee may not fall on a date after the Final Maturity Date in case of an individual Bank Guarantee.
- b) If, under the Client Agreement, the Facility is of revolving type, the Client may automatically utilise again (i) the amount of the Bank Guarantee issued, provided its maturity date passed by without a drawdown, and/or (ii) the non-matured part of the Bank Guarantee amount, provided no drawdown has taken place during the period available for draw downs; in such a way that allows the issuing of new Guarantees to the Client, up to the value of these amount(s), in compliance with the Contract.

3.3.2. The Client may utilise the Facility within the Commitment Period by submitting a suitably completed Issue Order to the Bank or transmitted through the Flexims electronic portal. The utilisation of the Facility shall always be subject to meeting all of the pre-conditions identified. The Issue Order shall only be considered valid if

- a) it stipulates the planned Date of Issue of the requested Bank Guarantee, which is a Working Day within the Commitment Period;
- b) it defines the basic legal relationship (and its obligor), in relation to which the issue of the Bank Guarantee is requested;
- c) it defines the type of the Bank Guarantee requested;
- d) it clearly identifies the beneficiary to whose benefit the issue of the Bank Guarantee is requested; and identifies whether the Bank should forward the issued Bank Guarantee to the Client or the beneficiary;
- e) it identifies the maximum amount of the Bank Guarantee requested, which must be an amount, which, together with the amounts of any Bank Guarantees already outstanding or still to be issued on the Date of Issue shall not exceed the Facility Amount;
- f) it clearly identifies the Guarantee's period of validity (maturity date), which cannot be later than the Final Maturity Date (if such a date is identified within the Client Agreement);
- g) it is received by the Bank by 10 a.m. on the 3rd Working Day preceding the Date of Issue;
- h) it clearly sets out all conditions and circumstances, in compliance with or occurrence of which must be shown on the Bank Guarantee requested (as a pre-conditions of payment).

Issue Orders not in compliance with all the above conditions shall be considered invalid, except if the fulfilment of any of the conditions is explicitly waived by the Bank.

At the closing on the last day of the Commitment Period, the unused part of the Facility shall automatically be cancelled.

3.3.3. The Bank shall issue the Bank Guarantee specified in the Issue Order on condition that all the Pre-conditions included in the Contract are fulfilled, and subject to the findings of the audit linked to the Bank Guarantee – particularly of the compliance of the legal basis of the Bank Guarantee with international provisions and its country risk rating in accordance with the site and person of the Beneficiary. Subject to the findings of the audit, and also in case of the Issue Order is not reconcilable with the principles of the Bank's credit policy, particularly if – according to the Bank's knowledge – the Principal does not respect the human rights, displays unlawful or socially unacceptable activity, or is exposed to significant environmental risks, the Bank may refuse perfecting the Issue Order. In case of refusing perfecting the Issue Order, the Bank will not be liable if either the Client or a Third Party should launch proceedings of any kind merely on the basis of the Contract and should incur costs, losses or damage herewith or should its prospective profit be lost. The Bank shall take care of its delivery to the specified addressee as soon as possible following the Date of Issue, in the way indicated in the order.

3.4. Independent commitment

The payment obligation of the Bank under a Bank Guarantee is an independent commitment. The Bank does not verify the legality or the grounds of the payment request (demand) submitted by the beneficiary of the Bank Guarantee with a payment performed on the basis thereof, and shall not, under any circumstance, be obliged to examine the basic legal relationship existing between the beneficiary of the Bank Guarantee and the Client (or any third party). Prior to the performance of payment based on the Bank Guarantee, the Bank shall exclusively examine the fulfilment of the conditions potentially specified in the Bank Guarantee. The Bank's payment obligation may only terminate before of the maturity date of the Bank Guarantee, apart from the full payment of the Bank Guarantee amount, if the beneficiary waives his right, in writing, to utilise (demand) the Bank Guarantee, irrespective of whether the original copy of the Bank Guarantee is returned to the Bank or not.

3.5. Claim for refund

At the order of Bank, the Client shall be obliged to immediately refund to the Bank the full amount paid by the Bank to the beneficiary of the Bank Guarantee on the basis thereof (hereinafter: the '**Guarantee Payment**') on the Working Day on which the Bank performs the Guarantee Payment. The Bank shall immediately notify the Client, in writing, when it receives a demand from a Bank Guarantee's beneficiary, based on such guarantee, and it is going to make a payment; and, at the same time, shall order the Client to reimburse the same amount (with the same value date). Should the Client fail to meet this obligation, the Bank shall automatically regard the amount of the Guarantee Payment, not reimbursed by the Client, as an overdue loan, and shall charge default interest thereon, at the rate set out in the Bank's prevailing Announcement. The refund obligation of the Client contained under the present section shall remain even after the Final Maturity Date, until such date when the repayment obligation will have been fully met.

3.6. Mandatory placement of the repayment amount



In case of a Breach of Contract or in any event when, due to the deterioration of the Client's financial position, the Client will not be able to refund the amount of any potential future Guarantee Payments, (a) the Bank shall be entitled to refuse the fulfilment of the request aimed at the utilisation of the unused Facility, the issuance of further guarantee statements requested against the Facility and (b) the Client, on the Bank's request, shall pay an amount corresponding to the amount of the maximum payment obligation possible based on the Bank Guarantees issued at that time (hereinafter: the **'Repayment Amount'**), to a separate account identified for this purpose. The Repayment Amount shall be repaid by the Bank to the Client at such time when all the conditional payment obligations of the Bank existing on the basis of the Bank Guarantees shall cease (no further payment obligations may occur based on the Bank Guarantees), provided that, based on the terms of the Bank Guarantees issued, the beneficiaries indicated therein have not made a claim for payment (demand). Should the Bank perform a payment based on the Bank Guarantees, the Repayment Amount shall be used to meet the Client's refund obligation under section 3.5. above; and it shall only repay any potential remaining amounts to the Client. The rights of the Bank pursuant to this section shall not exclude the application of any other legal remedies the Bank is entitled to pursuant to the Contract.

4. AGREEMENTS AND FRAMEWORK AGREEMENTS TO ISSUE LETTERS OF CREDIT

4.1. Additional definitions

'Letter of Credit', 'Import Letter of Credit': Pursuant to the Client's Order to Open a Letter of Credit, the Bank as the 'issuing credit institution' undertakes to pay the amount specified in forint or foreign currency in the Letter of Credit, acting on its own behalf, provided that the Beneficiary presents the required documents to the Bank by the prescribed deadline, such documents are found to be correct and the Beneficiary fully complies with any and all other terms and conditions.

'Order to Open a Letter of Credit': an order given by the Client in the format specified in the annex to the Client Agreement or an order transmitted through the Flexims electronic portal to open a Letter of Credit.

4.2. Agreement to Open Letters of Credit; opening specific Letters of Credit

Pursuant to the agreement to open Letters of Credit and in line with the terms and conditions set out in the Order to Open a Letter of Credit duly signed by the Client and presented to the Bank or in the order transmitted through the Flexims electronic portal and/or those set out in the Client Agreement, the Bank opens a Letter of Credit.

4.3. Framework Agreement to Open Letters of Credit; Documentary Credit Line; Use; opening specific Letters of Credit

4.3.1. Pursuant to the framework agreement to open Letters of Credit, the Bank shall maintain a Documentary Credit Line (hereinafter: the **'Documentary Credit Line'**) for the Client in line with the terms and conditions of the Agreement, under which the Bank shall open specific Letters of Credit(s) as ordered by the Client during the Commitment Period, stipulating that

- a) The total amount of the Letters of Credit issued by the Bank (a) which may yet result in a payment obligation on the Bank's part; or (b) which have already resulted in payment obligation(s) on the Bank's part but the Client has not yet reimbursed the Bank as per the Contract, shall not at any moment exceed the line amount specified in the Client Agreement (hereinafter: 'Line Amount'); and the last day on which any Letter of Credit may still result in a payment obligation on the Bank's part shall not be later than the Maturity Date of the Documentary Credit Line;
- b) If the Client Agreement stipulates that the Documentary Credit Line is a revolving line, then the amount paid out by the Bank under the various Letters of Credit for which it has already received reimbursement shall be available to the Client again.
- c) If the total of the Letters of Credit converted into the currency of the Documentary Credit Line exceeds the Line Amount at any time, the Bank shall be entitled to order the Client to pay the excess amount immediately or to provide additional collateral.

4.3.2. The Client may use the Documentary Credit Line within the Commitment Period by submitting a duly completed Order to Open a Letter of Credit to the Bank or transmitting it via the Flexims electronic portal. In order for the Client to be able to use the Documentary Credit Line, the Client must always comply with all of the conditions precedent set out in the Agreement. An Order to Open a Letter of Credit shall only be deemed valid if:

- a) It specifies the beneficiary in whose favour the Client is requesting the Letter of Credit to be opened;
- b) It specifies the type of Letter of Credit to be issued and the information concerning the payment thereof;
- c) It specifies the period of validity of the Letter of Credit (date and place of Maturity), which cannot be later than the Maturity Date of the Documentary Credit Line (if such a date was set in the Client Agreement) or, in the case of Letters of Credit available by deferred payment, the due date of any payments to be made under such Letters of Credit cannot be later than the Maturity Date of the Documentary Credit Line;
- d) It specifies the amount of the Letter of Credit to be issued, which amount, combined with the amounts of all other Letters of Credits already issued or yet to be issued on the same Issue Day, must not exceed the amount of the Documentary Credit Line;
- e) It sets out the terms and conditions of delivery, for which the Letter of Credit is being requested;
- f) It contains a description of the goods in a foreign language, which is to be printed on the Letter of Credit;
- g) The issue date of the requested Letter of Credit falls on a working day in the Commitment Period;
- h) It specifies the required documents, which must be presented by the beneficiary in order for the Bank to effect the payment;
- i) It specifies any and all other terms, conditions and circumstances, which must be stated on the Letter of



Credit to be opened and to be complied with or in place (as conditions for the Bank to effect the payment).

Orders to Open a Letter of Credit not complying with all of the above terms and conditions shall be considered invalid, unless the Bank explicitly waives one or more conditions. The Client shall authorise the Bank to execute the order in a language of its choice and with terms and conditions not materially different from those set out therein upon opening the Import Letter of Credit, without notifying the Client thereof and obtaining his approval.

The unused part of the Line shall be automatically cancelled during the end-of-day closing on the last day of the Commitment Period.

4.3.3. The Bank shall issue the Letter of Credit requested in the Order to Open a Letter of Credit within no later than seven working days from the date on which the Order to Open a Letter of Credit was submitted, provided that all of the Conditions Precedent set out in the Agreement have been complied with.

4.4. Independent payment obligation

4.4.1. The promise of the Bank made in the Letter of Credit to pay is an independent obligation. The Bank shall make payments to the beneficiary within the period of validity of the Letter of Credit, subject to compliance with the terms and conditions set out therein. The Bank shall only be obliged to examine the documents presented to it, and it shall not be obliged to seek the consent of the Client or to consult the Client prior to honouring.

4.4.2. The payment obligation of the Bank shall be created following the examination of the documents stipulated in the Letter of Credit, irrespective of the relationship between the Client and the beneficiary and without regard to any objections of the Client.

4.4.3. Letters of Credit shall be governed by the provisions of Uniform Customs and Practices for Documentary Credits ('UCP'), publication nr 600 of the publication of the International Chamber of Commerce (ICC), revised in 2007.

4.5. Reimbursement and recourse obligation

At the request of the Bank the Client shall immediately reimburse the Bank for the entire amount paid by the Bank to the beneficiary under the Import Letter of Credit and its interest, fees and charges as well as any and all other statutory fees and charges on the working day on which the Bank makes the payment. The Client undertakes to comply with this reimbursement obligation and to that end it irrevocably and unconditionally authorises the Bank at the same time to charge the relevant amount to the Current Account kept in the same currency as the payment in question. Should the Client fail to comply with its reimbursement or recourse obligation, the Bank shall automatically recognise the amount in question as an overdue loan, on which it shall charge a default interest as per the Announcement. The reimbursement and recourse obligation of the Client shall remain in force until the Client has paid the amount in question in full, irrespective of the Maturity Date.

4.6. Mandatory deposit of the amount to be reimbursed

In the event of a breach of contract and in any other cases where the Client, due to a deterioration in its finances, is unable to reimburse the bank for the amount the Bank paid under the Letter of Credit, the Bank shall be entitled (a) to refuse to execute the order for the use of the Documentary Credit Line and/or (b) to instruct the Client to deposit an amount equal to the maximum possible payment obligation of the Bank under the Letters of Credit at the time on a specific account (hereinafter: the 'Amount to be Reimbursed'). The Bank shall return this amount to the Client once all potential payment obligations of the Bank under the Letters of Credit cease to exist (i.e. no further payment obligations can result from the Letters of Credit). If the Bank is making a payment under an Import Letter of Credit, the amount to be reimbursed shall be used by the Bank for honouring the reimbursement or recourse obligation of the Client. The above rights of the Bank shall not prevent the Bank from seeking legal remedies to which it is entitled under the Agreement.

4.7. Other rights and obligations of the Client and the Bank

4.7.1. The Client shall be solely responsible for obtaining any and all export and import permits for the goods covered by the Letter of Credit (including the payment of customs duties associated therewith). The statement of the Client concerning the use of the Documentary Credit Line shall be considered as a statement confirming that it has complied with the above.

4.7.2. The Bank shall not be liable for any consequences arising from a delay or a loss of a message, bill of exchange or document, for any delay, malfunctioning, loss of data or any other faults occurring in the course of teletransmission, or for any errors in the translation or interpretation of any messages or documents related to the Letter of Credit in question. Furthermore the Bank shall not be liable for the non-payment or non-acceptance of any bills of exchange related to the Letter of Credit arising from a requirement or a limitation imposed by a government, local or foreign, from a court ruling or due to any other reasons beyond the control of the Bank.

4.7.3. The Client shall indemnify and hold harmless the Bank from any liabilities, losses, damages, payments and expenses, including reasonable legal fees, which may be incurred by the Bank in connection with a claim by a third party or a dispute arising in connection with a claim by a third party related to the Letter of Credit, except those incurred as a result of gross negligence or wilful misconduct. Should any court action or other procedure be launched against the Bank in connection with such a dispute, the Bank concerned in the court action or procedure may decide to have its cost of defence incurred in the court action or procedure in question covered by the Client or may demand that the Client is to provide representation by employing a legal counsel accepted by the Bank.

4.7.4. The Bank may at its discretion involve another bank in the Letter of Credit, directly or indirectly; or it may transfer part or all of its obligations under the Letter of Credit to another financial institution; and furthermore, it may assign or transfer the Agreement to Open Letters of Credit or any documents serving as proof of some or all of its rights thereunder or of some or all of its obligations pertaining to the Letter of Credit, and it may transfer to the assignee or the



transferee some or all of the collateral securing the obligations under this Agreement, upon which assignment or transfer the rights of the Bank under the Agreement to Open Letters of Credit or the assigned or transferred documents forming the property of the Bank shall be transferred to the assignee or the transferee. Thereafter, the Bank shall be discharged of any and all of its transferred responsibilities or obligations; however, it shall maintain all of its rights under the Agreement to Open Letters of Credit pertaining to all documents or rights which have not been transferred.

4.7.5. The Bank shall act in line with the regulations of the United Nations (UN) and the European Union (EU) in force. Accordingly, if a reference is made to any persons, goods or means for transport subject to any penalty or restriction imposed by the UN or the EU during the delivery of the Service and/or in the documents related thereto, the Bank shall be entitled to refuse to execute the order.

4.8. Pledging documents; insurance

The Bank shall have a pledge on any documents or goods made available to or coming into the possession of the Bank or any of its partners as a result of opening any Letter of Credit or in the course of a procedure based thereon, to secure (a) the payments made or to be made by the Bank or its partners; (b) any interests and fees or other statutory charges related to the Letters of Credit; and (c) any obligations of the Client to the Bank, which pledge the Bank shall be entitled to enforce in the event of a Breach of Contract.

The Client shall take out insurance or have insurance taken out for all goods covered by the Letter of Credit. The insurance shall cover all risks.

5. FINANCIAL LEASING CONTRACTS

5.1. Additional definitions

'Sale and Purchase Agreement' the agreement entered into between the Lessor and the Vendor in order to acquire title to the Asset, which must also be signed by the Lessee in acknowledgment of its provisions.

'Delivery and Acceptance Certificate' the certificate signed by the Vendor and the Lessee when taking possession of the Asset; by signing the certificate the Lessee confirms that

- (a) the documents of the Asset have been issued and delivered properly;
- (b) the Asset complies with the provisions of the Sale and Purchase Agreement;
- (c) the Asset that has been delivered and that the Lessee has taken possession is free of any defects – in the case of a used Asset, it has been tested and its condition corresponds to the condition report – and has all the accessories specified in the Order and/or the Sale and Purchase Agreement;
- (d) the Asset is equipped with the accessories prescribed in applicable law as well as any other accessories required for proper use, its registration and other documents have been properly issued and delivered, and its official markings correspond to the documents;
- (e) the Asset has valid insurance coverage that is not subject to the occurrence of any other conditions;

- (f) if the insured party under the insurance coverage is not the Lessor, the pledge related to the insurance coverage has been entered into the register of loan collaterals and is in effect.

The Lessor hereby rejects any responsibility with respect to the contents of the delivery and acceptance certificate.

'Built-in Insurance' the property insurance taken out on the Asset by the Lessor as the contracting party and as the insured party, at its own expense. In this case the Lessee is under no obligation to take out property insurance. The first day of coverage is the date of acceptance of the Asset according to the delivery and acceptance certificate. The delivery and acceptance certificate must state the condition of the Asset (free of defects, undamaged or damaged). The insurance terms are set out in the insurance brochure and its annexes – attached to the Leasing Contract – and the Lessee must comply with its provisions. The Lessee must start the claim adjustment procedure on the Lessor's behalf within 24 hours upon receipt of the Lessor's authorisation. The insurance excess is payable by the Lessee. The Lessor will not be under any liability whatsoever for failure to comply with the obligations above. The Built-in Insurance will be terminated simultaneously with the termination of the Leasing Contract or on the day of the insured event if restoring the Asset by repair is uneconomical, the Asset has been destroyed or stolen and not recovered, and the Insurance Company has paid. In the case of Built-in CASCO Minimum Insurance the insurance coverage will include theft loss and total loss (write-off) only, while in the case of CASCO Maximum insurance it will include the above plus collision damage.

'Handover' the placing of the Asset at the Lessee's disposal, which cannot occur until the following conditions are met in full:

- (a) the Lessee makes the first lease payment in full (which also includes the VAT charged on the purchase price of the Asset in the case of a closed-end financial lease);
- (b) the Lessor receives the detailed, proper final invoice that states the Lessor as the bill-to party, contains the serial number of the Asset and corresponds to the Sale and Purchase Agreement, and the invoice amount shows the amounts payable to the Lessor but paid by the Lessee to the Vendor, marked 'settled';
- (c) if the title to the Asset must be registered in an authentic or other register, the registration has been made and the certificate of such registration and the identification documents of the Asset made out to the Lessor's name (in the case of vehicles, the roadworthiness certificate, the vehicle registration certificate or the certificate issued by the public administration office) are available;
- (d) the Asset has full property insurance coverage that also covers its equipment (in the case of vehicles, CASCO with European coverage, plus third-party liability insurance); the insurance documents prescribe the excess specified in the Leasing Contract and state the Lessor as the insured party;
- (e) if the insurance does not have deferred premium payment, the Lessee has paid the insurance premiums for the first insurance period, and the Lessee has presented proof thereof to the Lessor;

- (f) if required by the insurance company, the Asset has been equipped with the security devices that comply with the specific requirements of the insurance company, and the Lessee has presented invoices to the Lessor as proof thereof;
- (g) the lease and the Lessee's name have been officially registered in the register of loan collaterals (in the appropriate authentic register), and the Lessor has been notified thereof in a system message from the register of loan collaterals;
- (h) in the event that pursuant to the parties' agreement, property insurance (CASCO) on the Asset is taken out by someone other than the Lessor or the insured party is not the Lessor, the Lessor's pledge has been recognised on the amount due to the Lessor, as insured party, from any insurance benefit, and the Lessor has been notified thereof in a system message from the register of loan collaterals.

'Asset' the light or heavy commercial vehicle, machine, production equipment or other asset selected by the Client and specified in the Leasing Contract that will be owned by the Lessor but used by the Lessee at its own risk during the term of the Leasing Contract in a manner whereby it will be posted to the Lessee's books.

'Vehicle' an Asset fit for road use and governed by the regulations on road traffic, which must meet the requirements of road use during the lease term.

'Conditions of Use' the set of rules titled 'Terms and conditions of use of the Asset covered by the Leasing Contract', which is attached to, and is an integral part of, the Leasing Contract for the Asset.

'Interest Period' the settlement period between the due dates of the lease payments specified in the payment schedule of the Leasing Contract. In deviation from the provisions of Section I.5.2 of the GCTC, in the case of financial leasing deals interest is calculated taking into consideration the length, in days, of the interest periods determined by the 365-day year and the due dates of consecutive lease payments. The settlement period starts on the day following the preceding due date, and ends on the due date of the lease payment, which is also the performance date of the service provided. The first interest period starts on the day following the handover, and ends on the next due date. The settlement period of the first lease payment to be made at the start of the deal according to the Leasing Contract is the date of delivery and acceptance specified in the Leasing Contract, which is also the performance date of the service provided. The Lessee must make the first lease payment on the performance date.

'Leasing Fee' the amount payable by the Lessee with regard to its use of, and expected acquisition of title to, the Asset according to the schedule specified in the Leasing Contract, and made up of the principal and interest portions specified in the repayment schedule of the Leasing Contract. The principal portion of the Leasing Fee payable during the total term equals the purchase price of the Asset stated in the Sale and Purchase Agreement.

'Leasing Contract' the contract whereby the Bank (hereinafter: Lessor) agrees to lease the asset selected by the Client (hereinafter: **'Lessee'**) to the Lessee in accordance

with the provisions of the Civil Code and the Credit Institutions Act applicable to financial leasing. The Leasing Contract must be registered in the register of loan collaterals. The service provided under the Leasing Contract is a financial service according to the provisions of the Credit Institutions Act, therefore – until the laws prevailing at the approval date of the GCTC are amended – the interest portion of the Leasing Fee and any fees and default interest charged pursuant to the Leasing Contract are exempt from value added tax.

'Residual Value' the last amount payable and defined as such under the Leasing Contract.

'Open-end Financial Leasing Contract' the Leasing Contract whereby the Lessee only acquires title to the Asset pursuant to the specific statement made by the Lessee to this effect 15 days prior to the end of the lease term, and by the same deadline the Lessee may also designate a third party to acquire title, who will acquire title to the Asset by paying the residual value. If the Lessee does not intend to acquire title to the Asset at the end of the term, the Lessee must return the Asset to the Lessor.

'Vendor' the dealer or previous owner of the Asset, who the Lessor signs a Sale and Purchase Agreement with in order to buy the Asset.

'Administration Fee' a fee payable on a case-by-case basis for the production of the statements requested by the Lessee and showing the Lessee's payment obligations and possible changes therein, and the financier's consents required for submitting the official and other permits related to the Asset (taxi permit, alteration permit, use permit, roadworthiness certificate modification or change, licence plate change), the amount of which is set out in the Lessor's prevailing Announcement.

'Closed-end Financial Leasing Contract' the Leasing Contract whereby the Lessee acquires title to the Asset after the lease term ends and all leasing fees have been paid in full.

'Leaseback' a leasing deal whereby an asset owned by the Lessee is bought by the Lessor for the purpose of leasing it to the Lessee. Given that prior to the conclusion of the Leasing Contract the Lessee was the owner of the Asset, the Lessor rejects any liability for the origin, condition, hidden or other defects of the Asset.

5.2. Calculation and payment of the Leasing Fee

5.2.1. In the event that the Leasing Contract specifies lease payments in a currency other than the currency of the invoice issued by the Vendor, any change in exchange rates between the signing of the Leasing Contract and payment of the Vendor's invoice may change the principal amount of the Leasing Fees stated in the currency of the Leasing Contract (the currency of the lease) based on the conversion according to the formula below.

$$A_{sz\text{erz}} = a_0 \times A_{sz\text{la}}$$

where

$A_{sz\text{erz}}$ principal amount of the Leasing Fees expressed in the currency of the Leasing Contract

$A_{sz\text{la}}$ principal amount of the Leasing Fees expressed in the currency of the Vendor's invoice



- a₀ conversion rate between the currency of the Leasing Contract and the currency of the Vendor's invoice, with the content presented in the table below

a ₀ (conversion rate)	Invoice currency	Lease currency
Reciprocal of the FX I buy rate of K&H Bank Zrt. quoted on the disbursement date	HUF	Foreign currency
FX I sell rate of K&H Bank Zrt. quoted on the disbursement date	Foreign currency	HUF

Simultaneously with determining the principal amount of Leasing Fees in the currency of the lease, the amount of Leasing Fees will also be recalculated. The Lessor will notify the Lessee in writing immediately upon payment of the Vendor's invoice about the change in the principal amount and thus in the amount of Leasing Fees pursuant to the above. The Lessee will accept the adjustment to the principal amount of the Leasing Fees and to the Leasing Fees pursuant to the above without any contract amendment by receiving the notification to this effect. The parties to the contract may also agree to use a special exchange rate.

5.2.2. Upon handover the Lessor will recalculate the Leasing Fees taking into consideration the prevailing level on the handover date of the Reference Interest Rate specified in the Leasing Contract. The Lessor will notify the Lessee of the change in Leasing Fees as a consequence to the above by sending the Lessee a repayment schedule containing the revised Leasing Fees. If the Leasing Contract specifies a Variable Reference Interest Rate, the Leasing Fee will be tied to a Variable Interest Rate. A Leasing Fee tied to a Variable Interest Rate will change during the lease term automatically in each interest period in accordance with the change in the Reference Interest Rate with the frequency specified in the Leasing Contract; such change will apply to the total interest period. The revision of the amount of the Leasing Fee due to the interim change in the Reference Interest Rate will be accepted by the Lessee by signing the Leasing Contract, thus it will be binding on the Lessee without any contract amendment.

5.2.3. The Lessee must pay the Leasing Fee pursuant to the schedule defined in the Leasing Contract. Default Interest is payable for any arrears. Subject to the parties' agreement, the first Leasing Fee may be payable directly to the Vendor. Once the Asset is in the Lessee's possession, the Lessee must pay the Leasing Fee until the end of the leasing term, even if the Asset cannot be used for any reason (because it has been damaged, destroyed or stolen), regardless of any insurance claim settlement procedure. The Lessee must continue to duly pay the Leasing Fee until receiving a settlement notice from the Lessor on terminating the Leasing Contract. The Lessee's obligation to pay the Leasing Fee is waived only if and as long as it cannot use the Asset for a reason attributable to the Lessor. The Lessee must bear any damage arising from discontinuing the usage or possession of the Asset.

5.2.4. If the parties agree upon paying the foreign exchange-denominated leasing fee in Hungarian forints, then the amount shall be converted at the following exchange rate

based on the Bank's sell rate 1 quoted for the 12th day preceding the due date (or for the following banking day if that day is not a banking day):

Exchange rate =

$$= \dot{A}rf + \dot{A}rf \times \frac{\frac{napok}{360} \times (BUBOR(1h\acute{o}) - rr(1h\acute{o}) - 0,08)}{1 + \frac{nap}{360} \times \frac{(rr(1h\acute{o}) - 0,08)}{100}}$$

where

$\dot{A}rf$ – the Bank's sell rate 1 for that currency, quoted for the 12th day preceding the due date (or for the following banking day if that day is not a banking day)

napok – number of days between the 12th day preceding the due date (or for the following banking day if that day is not a banking day) and the first work day of the month of the due date

rr(1h \acute{o}) – one-month LIBOR (or EURIBOR in case of EUR) reference rate for that currency, quoted on the 12th day preceding the due date (or for the following banking day if that day is not a banking day)

BUBOR(1 h \acute{o}) - one-month BUBOR quoted on the 12th day preceding the due date (or for the following banking day if that day is not a banking day).

5.2.5. If the amount paid by the Lessee exceeds the debt due pursuant to the Leasing Contract, the Lessor shall use the prepaid amount to lower the debt due under the Leasing Contract. In lack of the Lessee's declaration or a relevant agreement between the parties, any amount remaining over and above the due debt is repaid to the Lessee.

5.3. Bearing the costs arising from the Leasing Contract

5.3.1. All costs related to the possession and usage of the Asset shall be borne by the Lessee (as the user and operator of the Asset). Any duty that the Lessor may have to pay for acquiring the Asset (subject of the nature of the Asset) must also be reimbursed for by the Lessee. Furthermore, the Lessee must pay the costs of obtaining all certificates and accessories related to the Asset; the costs of various registrations, cancellations or queries related to the Asset or the conclusion or termination of the Leasing Contract; as well as any taxes, contributions or fines levied in connection with the Asset and in view of or under the Leasing Contract. If any of these charges or any compensation is paid by the Lessor for any reason, then the Lessee shall immediately reimburse the Lessor for these items against an invoice. The Lessee must pay any insurance premium directly to the insurance company pursuant to the insurance contract; if the insurance is taken out by the Lessor, then the Lessee must pay the premium against and according to an invoice issued by the Lessor.

5.3.2. Upon the Lessor's instruction, the Lessee shall pay the costs related to the conclusion of the Leasing Contract (including the registration of the Leasing Contract, and any pledges resulting from it, in the loan collateral registry). The Lessee shall immediately reimburse the Lessor for the costs that the Lessor incurs due to the termination of the Leasing Contract by the Lessor or expiry of the Leasing Contract for a reason attributable to the Lessee, arising from the collection of any overdue debt, recovering the Asset,



enforcing the Lessor's collateral rights stipulated in the Leasing Contract, or any other unexpected development.

5.4. Termination of the Leasing Contract

5.4.1. The Leasing Contract shall terminate (i) once the Lessee's payment obligations have been fully met, (ii) upon termination with an immediate effect by either the Lessor or the Lessee, or (iii) if the Lessee is wound up without a legal successor. If the Asset is destroyed, only the leasing relationship regulated in the Leasing Contract shall lapse, but the amount calculated pursuant to article 5.5.1 remains payable by Lessee.

5.4.2. In deviation from article I.3.3.1 of the GCTC, the Lessee may only terminate the Leasing Contract if the Lessor fails to hand over the Asset to the Lessee or disturbs the possession of the Asset without an acceptable reason, or if the Lessor fails to honour a request for contract termination for reasons of warranty. The Lessee must not unilaterally terminate the Leasing Contract for any other reason, and may only initiate its cancellation in case of prepayment.

5.4.3. The Lessee acknowledges that the Leasing Contract may be terminated if the Asset is stolen or entirely destroyed. The Asset shall be deemed to have been destroyed if it is stolen or damaged to such an extent that, in the insurance company's judgement, it cannot be repaired or its repair would not be economical. Any other damage shall not impact the effect of the Leasing Contract. If the Asset is destroyed, the Leasing Contract shall lapse retroactively, when the damage / destruction occurs. If the Asset is stolen, it shall be deemed to have been destroyed and the Leasing Contract shall be deemed to have lapsed when the police suspends or concludes the relevant investigation; if the Asset is damaged beyond repair, it shall be deemed to have been destroyed and the Leasing Contract shall be deemed to have lapsed when the Lessor receives the relevant resolution from the insurance company. Regardless of any event leading to the destruction of the Asset, the Lessee must continue to perform its obligations undertaken in the Leasing Contract. The Lessor shall determine the Lessee's lump-sum payment obligation arising from the termination of the Leasing Contract before the end of the term once the police has suspended or concluded the relevant investigation or once the insurance company's resolution on irreparable damage to the Asset has been received. The Lessee's lump-sum payment obligation shall be calculated for the day when the damage occurred, and shall be communicated to the Lessee within 15 days. Any amounts paid by the Lessee after the damage shall lower the Lessee's debt. The Lessee shall, upon the Lessor's request but not later than upon receiving a settlement notice from the Lessor, hand over the documents and accessories of the destroyed Asset to the Lessor's representative. If the Lessee fails to transport an Asset that is not economical to repair to the site specified by the Lessor, then the Lessor shall arrange for the transportation and charge the costs to the Lessee.

5.4.4. Over and above the cases stipulated in article I.9.1 of the GCTC, the Leasing Contract shall be terminated with an immediate effect due to a breach of contract if the Lessee fails to meet its obligations stipulated in articles II.5.2.3 and II.5.3.1 of the GCTC and articles 2.1-2.3, 2.5 and 4.1-4.3 of the Conditions of Use. Any of the following shall also constitute a breach of contract: a significant reduction in the Asset's value due to damage, or a significant decrease in the

Asset's collateral value for any reason, unless the Lessee provides alternative collateral that is satisfactory to the Lessor.

5.4.5. If the Leasing Contract is terminated, the Lessee must, upon the Lessor's notice, pay all amounts owed arising from the Leasing Contract (including any unpaid leasing fee and default interest, unpaid principal, fees, as well as costs incurred by the Lessor due to the early termination of the Leasing Contract) by the deadline stipulated by the Lessor. If the Lessee fails to meet its payment obligation arising from the termination of the Leasing Contract, its right to use and possess the Asset shall lapse, and it must hand the Asset over to the Lessor together with its accessories and documents within two work days from the deadline. The Asset must be in a good condition apart from normal wear and tear, as stipulated in article 2.4 of the Conditions of Use. If the Lessee fails to hand over the Asset – including the Lessor's failure to gain ownership pursuant to an Open-ended Financial Leasing Contract –, then the Lessor may (1) take possession of the Asset and transport it away at the Lessee's cost, and/or (ii) prevent the unauthorised usage of the Asset, and/or (iii) have the licenses and permits for the Asset withdrawn. If the Lessee fails to pay, the Lessor shall sell the Asset and use the proceeds to recover its claim. Any claim over and above the proceeds shall be payable by the Lessee. The Lessee shall bear any damage or loss incurred if the condition of the Asset is sup-par.

5.5. Financial settlement

5.5.1. The Lessor shall send a detailed annual financial statement to the Lessee by January 31 following the subject year. If the Leasing Contract is terminated with immediate effect or cancelled before the end of its term, the Lessor shall prepare a report of the Total Debt for the termination / cancellation date, taking into consideration the conditions stipulated in article 5.4.2. The Total Debt shall be reduced by the proceeds of selling the repossessed Asset, or by the amount paid to the Lessor by the insurance company for the Asset. The Lessee acknowledges that the claim stated the detailed statement can only be lowered once the Asset has been sold and the proceeds have been credited to the relevant account. The Lessor is not obliged to sell the Asset by any specific deadline, and the Lessee shall pay default interest for its unpaid debt between receiving a statement of the Total Debt and the above-mentioned debt reduction. Any amount owed based on the detailed statement shall be paid within five work days from receiving the settlement statement specifying the Total Debt.

5.5.2. If the Total Debt in the statement is denominated in a different currency than the sales price of the Asset, the amount shall be converted at the Bank's sale rate 1 on the day of conversion in case of converting foreign currency to HUF, or the Bank's buy rate 1 on the day of conversion in case of converting HUF to a foreign currency. If no exchange rate is quoted for the currency, then a unique market rate shall be used for the conversion. If, in case of an Open-ended Leasing Contract, the Lessee returns the Asset to the Lessor at the end of the term, the parties shall agree on the payment obligation in view of the exchange rate movements between the payment of the price and the termination of the Leasing Contract, which affect the Residual Value. If the HUF equivalent of the Residual Value at the time of the termination / cancellation of the Leasing Contract (calculated at the



Bank's sale rate 1) exceeds the HUF equivalent of the Residual Value upon the payment of the price (calculated at the Bank's sale rate 1), the Lessee must pay the difference to the Lessor upon the Lessor's instruction. If, due to interim exchange rate movements, the HUF equivalent of the Residual Value upon the termination / cancellation of the Leasing Contract does not reach the HUF equivalent of the Residual Value upon the payment of the price, the Lessor must pay the different to the Lessor.

This GCTC governs financial leasing contracts concluded from January 1, 2015. Financial leasing contracts concluded before that date are governed by the General Contractual Terms and Conditions effective when those contracts were concluded.