

## GENERAL TERMS

### 1 CHAPTER. CONTRACT DEFINITIONS

1. The following terms are used in the Agreement:
  - 1.1. **"Agreement"** means this Credit Agreement, consisting of the General Terms and the Specific Part, together with any amendments, supplements and annexes;
  - 1.2. **Bank** - AB "Mano bankas", Inc. 112043081. Bank details are set out in the Special Part.
  - 1.3. **General Terms** - the part of the Agreement which sets out the general terms and conditions of the Agreement applicable to the Bank and to all of the Bank's customers - borrowers of credit;
  - 1.4. **Special Part** - the part of the Agreement which sets out the purpose, amount, period, interest, fees, special credit disbursement and other special terms and conditions of the Agreement applicable to the Bank and the Borrower who has entered into the Agreement in respect of the total credit granted;
  - 1.5. **Annuity Method** - a method of repayment whereby the Loan is repaid to the Bank in instalments such that the amounts payable to the Bank, comprising the Loan Instalment, the Interest and the Monthly Contract Administration Fee, are equal up to the date of the new Payment Schedule;
  - 1.6. **"Bank's Margin"** means the margin of the Borrower's credit risk and the Bank's profit margin as specified in the Special Part and expressed as a percentage. In the cases provided for in the Agreement, the margin actually paid by the Borrower to the Bank may differ from the Bank's margin specified in the Special Part;
  - 1.7. **The Bank's website** is [www.mano.bank](http://www.mano.bank).
  - 1.8. **The total amount payable by the borrower** is the sum of the total amount of credit and the total cost of credit;
  - 1.9. **The total cost of the credit** is the borrower's costs relating to the credit (interest, origination fee, contract administration fee, cost of property valuation where such valuation is necessary to obtain the credit), as well as the cost of insuring the mortgaged immovable property if an insurance contract is required to be concluded in order to obtain the credit, or to comply with the terms and conditions published for the credit agreement, the cost of payment instruments for payment transactions and the disbursement of credit and any other costs relating to the credit agreement which the borrower is required to pay and which are known to the Bank, but excluding notary fees and penalties for default under the credit agreement and any other costs relating to the registration of the title to immovable property. The total cost of the Credit is calculated on the assumption that the Agreement will remain in force until the Final Repayment Date, the Bank will disburse the full amount of the Credit to the Borrower on the date of signature of the Agreement using the most common method of disbursement of the Credit, the parties to the Agreement will perform their obligations under the Contract in accordance with the terms and conditions set out in the Agreement and the amount of interest, fees and other costs will remain the same as at the time of the conclusion of the Agreement and will remain applicable until the end of the Agreement;
  - 1.10. **"Total Credit Amount"** means the amount of credit available under the Agreement;
  - 1.11. **Annual percentage rate of the total cost of credit ("APRC")** - the Aggregate Credit Cost (the total amount of which can be obtained by deducting the Credit Amount from the Aggregate Amount payable by the Borrower as set out in the Special Part) expressed as an annual percentage of the Aggregate Credit Amount, which is equal to the present value of the present value of all future or existing obligations agreed between the Bank and the Borrower in each year. The BCCMN is calculated by taking into account the Loan Amount, the Interest Amount, the Contract Administration Fee, the cost of insurance and valuation of the Property (where known to the Bank), the fee for the registration of one mortgage/pledge in the relevant register and the minimum daily service charge, and assuming that the Contract will remain in force until the Final Repayment Date, the Bank shall disburse the full amount of the Credit to the Borrower on the date of signature of the Agreement using the most common method of disbursement of the Credit, the parties to the Agreement shall perform their obligations under the Agreement in accordance with the terms and conditions set out in the Agreement, the amount of the Interest, the amount of the Charges and the other expenses shall remain the same as at the time of the conclusion of the Agreement and shall continue to be applicable until the end of the Agreement;
  - 1.12. **Business Day** - a day on which the Bank provides all services and carries out all operations, and which is not a Saturday, Sunday or any other day of rest or holiday established by the legislation of the Republic of Lithuania;
  - 1.13. **EURIBOR** - The interest rate for the duration of the interest period of the European Interbank Offered Rate (**EURIBOR**), expressed as an annual interest rate. EURIBOR is determined, administered and published by the European Money Markets Institute (EMMI) or another officially designated organisation. Information on the value of EURIBOR is also available at the Bank's premises. If the EURIBOR is negative, it shall be deemed to be zero;
  - 1.14. **Fixed Interest** - the interest rate that applies until the Final Repayment Date, provided that the terms of the Agreement remain unchanged and/or the Borrower meets its obligations on time;
  - 1.15. **Final Repayment Term** - the term specified in the Special Part by which the Borrowers must repay the Bank the entire amount of the Credit taken out;

- 1.16 **A mortgage** is a right in rem over an immovable property that secures the performance of an existing or future financial obligation, where the pledged property is not released to the creditor;
- 1.17 **The collateral provider** is the owner of the immovable property subject to the mortgage;
- 1.18 **Commitment Fee** - the fee provided for in the Special Part for reserving credit funds for the Borrower to use up to and including the Last Credit Disbursement Date specified in the Special Part (the "Drawdown Date"). The fee shall be calculated on a daily basis, assuming 360 (three hundred and sixty) days per year and the actual number of days in a month, on the Borrower's unused amount of Credit for the period from the date of conclusion of the Contract to the date of disbursement of the full amount of Credit, but up to and including the Last Disbursement Date (the "Last Drawing Date"). The Borrower undertakes to pay the Commitment Fee monthly on the Payment Date specified in the Special Part.
- 1.19 **Credit** - the total amount of credit granted by the Bank to the Borrower, consisting of credit in the amounts and in the currency specified in Clause 2.1 of the Special Part;
- 1.20 **Credit period** - the period from the date of signature of the Agreement until the date of repayment in full;
- 1.21 **Credit Term** means the period from the date of signature of the Agreement until the Final Repayment Date;
- 1.22 **Variable Interest** means interest calculated as the sum of the Variable Interest Component and the Bank's Margin;
- 1.23 **"Variable Interest Rate"** means the EURIBOR quoted on the Interest Payment Date as set out in the Special Part;
- 1.24 **Linear Method** - A method of repayment whereby the Credit is repaid to the Bank in equal instalments and interest is payable on the outstanding balance. The amount of the last instalment of the Loan may be different from the amounts of other instalments of the Loan;
- 1.25 **"Minimum interest"** means the minimum interest specified in the Special Part. If the sum of the Bank's margin and the Variable Interest Component is less than the Minimum Interest, the applicable Variable Interest shall be treated as Minimum Interest.
- 1.26 **Payments** - the repayment of the Loan, the payment of Interest and other payments made by the Borrower to the Bank as specified in the Agreement;
- 1.27 **"Payment Date"** means the day of each month (or, if a particular month does not have such a day, the last day of such month) specified in the Special Part on which the Borrower shall pay to the Bank the Interest accrued up to that day, the amounts of the Credit Instalments and the Monthly Contract Administration Fee.
- 1.28 **Payment Schedule** - an annex to the Agreement prepared by the Bank, which sets out the amounts of instalments of the Loan and the interest payable and the terms of payment thereof, and which shall be submitted to the Borrower and amended in accordance with the procedure set out in the Agreement.
- 1.29 **Interest** - the remuneration, expressed as a percentage, payable by the Borrower to the Bank for the use of the Loan, which shall accrue and be payable until repayment of the Loan in full. The applicable interest shall be as specified in the Special Part;
- 1.30 **"Interest Reset Date"** means the calendar day on which the Variable Interest is fixed until the next Interest Reset Date and the Payment Schedule is updated. The Interest Reset Date is set out in the Special Part;
- 1.31 **"Last Credit Disbursement Date"** means the last Credit Disbursement Date specified in the Special Part, after which the Bank's obligation to disburse credit shall cease to apply;
- 1.32 **'durable medium'** means a medium (computer diskette, compact disc (CD), digital versatile disc (DVD), hard disk of the borrower's computer containing electronic mail, and other media other than websites, if they do not meet the specified characteristics of durable medium), which enables the borrower to benefit in the future from the unaltered information contained therein and to store the information for the borrower for the period of time required for the purpose for which the information is intended and in such a way that it can be used in the future and that the stored information can be retrieved without alteration;
- 1.33 **Restricted Account** - an account with limited functionality opened by the Borrower with the Bank under the terms and conditions set by the Bank, intended only for the accumulation of funds necessary for the execution of Payments and for the administration of the Loan;
- 1.34 **"Account"** means the Borrower's account with the Bank as specified in Section 2.6.6 of the Special Part. The Account may also be a Restricted Account;
- 1.35 **Asset Valuation Report** - an asset valuation report prepared by independent asset appraisers selected by the Borrower and complying with the requirements of the Law on Property and Business Valuation Framework of the Republic of Lithuania and certifying the valuation of the assets pledged under the Agreement. In cases specified in the Bank's internal documents, the property valuation report may be equal to the property valuation report submitted by the Bank's Property Valuation Commission;
- 1.36 **Collateral means** - pledge and/or mortgage, guarantee and/or suretyship of the assets referred to in the Special Part, and other means of securing the fulfilment of obligations, which ensure proper repayment of the credit granted to the Borrower or a part of the credit granted to the Borrower, and the payment of the interest, forfeits, other charges and amounts payable to the Bank pursuant to the Agreement.

- 1.4 Capitalized terms used in the General Terms shall have the meanings given to them in the Agreement, together with any Annexes thereto. Capitalized terms in the Contract that are expressed in the singular shall have a plural meaning and vice versa, unless the context clearly requires otherwise. The term "day" as used in the Contract shall mean a calendar day, unless expressly stated to be a Business Day, and the terms "year" and "month" as used in the Contract shall mean the calendar year and the month, respectively, unless expressly stated otherwise.

## **2 CHAPTER. SUBJECT MATTER OF THE CONTRACT**

- 2.1 The Bank undertakes to grant the Borrower a credit for the purpose specified in the Special Part under the terms and conditions set out in the Agreement, within the limits set out in the Special Part, and the Borrower undertakes to take out the credit under the terms and conditions and in accordance with the procedure set out in the Agreement, to use it for its intended purpose, to repay it on time, to pay the Interest and to duly perform the other obligations under the Agreement. The Borrower shall not have the right to reborrow the amount of Credit already repaid. The type of credit is a credit related to immovable property. The duration of the Credit shall be the period from the signing of the Agreement until the Final Repayment Date.
- 2.2 The Parties agree that the material terms and conditions of the Agreement include (but are not limited to) (i) the amount of credit; (ii) the credit period; (iii) the borrower; (iv) interest; (v) the method of repayment of the credit and the method of interest payment; (vi) the means of securing the obligations; (vii) the currency of the credit; (viii) any other terms and conditions, the modification of which may change the Borrower's credit exposure or increase the likelihood of default or misperformance of the Agreement; and (ix) any other term or condition specified in the Agreement as material.
- 2.3 Unless otherwise specified in the Agreement, Credit under the Agreement shall be granted and disbursed in Euro. If the Bank and the Borrower agree, Credit may also be granted in the currency in which the Borrower derives its income.
- 2.4 The Agreement shall be deemed to be a foreign currency credit agreement if the Credit is granted in a currency other than (i) the currency in which the Borrower derives his/her income or in which the assets from which the Credit is to be repaid are denominated; or (ii) the currency of the Member State (a Member State of the European Union, including a Member State of the European Economic Area) where the Borrower is a resident. In assessing whether the Credit has been granted in a foreign currency, account shall be taken only of the circumstances referred to in (i) and (ii) above existing at the time of conclusion of the Agreement.
- 2.5 In the event that the Agreement is a foreign currency credit agreement, the Borrower shall have the right to convert the currency of the Credit into euro free of charge. The Credit Currency may be converted into the currency in which the Borrower derives its income only by separate agreement between the Bank and the Borrower. In the cases set out in this Clause, the terms and conditions of the Agreement regarding the currency of the Loan shall be changed gratuitously, and the currency of the Loan shall be converted in accordance with the reference rate of the euro to the foreign currency published by the European Central Bank on the date of the conversion as agreed by the Parties, and in cases where the reference rate of the euro to the foreign currency is not published by the European Central Bank - in accordance with the reference rate of the euro to the foreign currency published by the Bank of Lithuania. For the Borrower. When changing the currency of the Loan in the cases set out in this Clause, the Bank shall have the right to apply the Bank's mark-up set out in the Special Part.
- 2.6 The Bank informs the Borrower that if the Agreement is a foreign currency credit agreement as provided in Clause 2.4, the Borrower is exposed to the risk of exchange rate fluctuations, which may result in an increase in the Borrower's foreign currency instalments to the Bank (for example, if the exchange rate of the Credit Currency appreciates by 20 per cent. in relation to the Borrower's currency in which the Borrower derives its income, the Borrower's instalments under the Agreement in the currency in which the Borrower derives its income would actually increase by 20 per cent.). The Parties agree that the risk of exchange rate fluctuations shall be borne by the Borrower and shall not affect the Borrower's obligations to make the Payments under the Contract.

## **3 CHAPTER. CONDITIONS AND PROCEDURES FOR DISBURSEMENT OF CREDIT**

- 3.1 The Bank shall disburse the credit or any part thereof in accordance with the procedure set out in the Agreement, provided that all of the following conditions precedent to the disbursement of the credit or any part thereof are met at each time before the disbursement of the credit or any part thereof is made (i.e., the Bank shall only be under an obligation to disburse the credit or any part of it if all of the following pre-conditions to the disbursement of the credit or any part of it have been met and/or are in force):
- 3.1.1 The Borrower has submitted to the Bank all documents necessary for the disbursement of the Credit (including the application for the disbursement of the Credit or a part thereof), other documents specified by the Bank, and agreements, invoices and/or other documents acceptable to the Bank substantiating the purpose of the Credit. If the amount of Credit requested for disbursement is for settlement in a currency other than the currency in which the Credit is granted, the Borrower shall submit a request to the Bank to convert the amount of Credit requested for disbursement into the relevant currency;
- 3.1.2 The Borrower has duly complied with the requirements for the creation of security for the performance of its obligations under the Agreement and for the insurance of the Mortgaged Assets under the terms and conditions set out in the Agreement, as well as has duly complied with the special conditions for the disbursement of the credit set out in the Agreement, if any, set out in the Special Part;

- 3.1.3 security agreements have been concluded and registered in the relevant public register (if required) in accordance with the law;
- 3.1.4 There is no ground for termination of the Agreement as stipulated in Clause 12.1 of the General Part, regardless of the extent and/or timing of the unfulfilled or improperly fulfilled obligation;
- 3.1.5 there are no other circumstances which clearly demonstrate that the Borrower will not be able to properly fulfil its payment and other non-payment obligations under the Agreement, other agreements with credit institutions and/or third parties (Art.6.883(1) CC);
- 3.1.6 The Borrower's financial position on the date of disbursement of the credit or part thereof has not deteriorated compared to the Borrower's position on the date of this Agreement;
- 3.1.7 The representations and warranties of the Borrower set out in the General Terms are true and not misleading;
- 3.1.8 No bankruptcy or restructuring proceedings have been initiated or are pending against the Borrower or the guarantor or owner of the collateral;
- 3.1.9 the total amount of the Loan taken out and outstanding by the Borrower after the disbursement of the Loan does not exceed the ratio of the Loan to the market value of the pledged assets as specified in the Special Part;
- 3.1.10 The Borrower duly performs all its other obligations under the Agreement and other agreements concluded with the Bank.
- 3.2 If the last day for disbursement (drawdown) specified in the Special Section is missed, the Credit shall not be disbursed under the Agreement.

#### **4 CHAPTER. ENSURING (SECURING) FULFILMENT OF OBLIGATIONS**

- 4.1 The Borrower undertakes to secure the performance of all its obligations under the Agreement throughout the Credit Term by the security instruments set out in Paragraph 4 of Part 4 of the Special Part on the terms and conditions set out in this Agreement and the Security Instrument Agreements. The Borrower's obligations under this Clause shall apply even if the security transaction for the performance of the obligations under the Agreement is to be entered into by third parties. In the event that the Borrower or a third party that is to enter into transactions with the Bank to secure the performance of the Borrower's obligations refuses to enter into such transactions on terms and conditions acceptable to the Bank, or if the transactions to secure the performance of the Borrower's obligations are not entered into for any other reason, the Borrower shall be deemed to have materially breached the obligation set out in this Clause of the Agreement and the present Agreement.
- 4.2 The market value of the pledged assets must be determined by independent valuers acceptable to the Bank. The Borrower may also choose another independent asset or business valuation company or an independent asset or business appraiser for the determination of the market value of the pledged assets, which meet the requirements set out in the Law on Property and Business Valuation Framework of the Republic of Lithuania. The Bank shall have the right to reasonably disagree with the Borrower's choice of an independent asset or business valuation firm or an independent asset or business appraiser.
- 4.3 The valuation of the real estate mortgaged to secure the fulfilment of the obligations under the credit agreement shall be based on a written property valuation report on paper or other durable medium, which the Bank undertakes to keep. The Bank undertakes to keep the valuation report for a period of 10 years from the date of fulfilment of the obligations under the credit agreement, unless the legislation governing the legal protection of personal data and the retention of documents stipulates a longer retention period for documents.
- 4.4 The Bank shall have the right to require the Borrower to submit a market valuation report of the collateral (i) in the event of an increase in the Credit; or (ii) if the value of the collateral decreases due to the fault of the Borrower or the owner of the collateral; or (iii) after the expiration of the market valuation report; or (iv) if the Borrower seeks to change the material terms and conditions of the Agreement. If the Borrower fails to provide a market valuation report of the Collateral in the cases set out in this Clause, the Bank shall have the right to order an independent valuation of the Collateral at the Borrower's expense. Also in the cases specified in this Clause, the Bank shall be entitled to carry out an internal valuation of the Collateral, for which the Borrower shall be obliged to pay the valuation fee set by the Bank and specified in the Fees.
- 4.5 The Borrower shall pledge to the Bank, by way of post-security pledge, all present and future cash (future receipts) in all currencies in the Accounts with the Bank referred to in Clause 4.5 of the Specific Part, to secure the timely and full performance of its obligations to the Bank as specified in this Agreement. This pledge of cash shall secure the due and punctual performance of all the Borrower's present and future obligations to the Bank under the Agreement, as amended, restated, supplemented or otherwise modified from time to time, including the payment of interest, penalties and losses. Payment to the Bank of the principal and interest due under the Agreement is secured by a simple pledge. The payment of interest and damages arising from the Borrower's failure to perform or improper performance of its obligations under the Agreement shall be secured by a maximum pledge in the amount set out in Clause 4.2 of the Special Part of this Agreement. In the event of a change of account number(s), the pledge shall remain. The pledged monies may be converted from one currency to another and, notwithstanding such conversion, shall remain pledged to the Bank under this Agreement. The Bank shall have the right to provide information to other persons about the pledging of Accounts. The amount of funds pledged to the Bank under this clause shall be the amount of the outstanding obligation under the Agreement. The Borrower shall be free to dispose of the pledged funds, unless restricted under separate agreements or

detailed terms of the Agreement, and as long as the Bank has not exercised its rights under the Agreement or under law to restrict the Borrower's right to dispose of the funds. Funds shall be deemed to be pledged when they are transferred to the Borrower's account with the Bank, including when funds are transferred by other persons in accordance with agreements with the Borrower (in this case, they shall be deemed to be transferring at the Borrower's direction). The value of the pledged funds shall be equal to the amount of the monetary units of those funds converted into the currency of credit. The Bank shall have the right to foreclose on the monies pledged under this Agreement if the Borrower fails to pay the amounts due to the Bank when due or if any other ground for termination of the Agreement arises as provided for in the Agreement or by law. In the event of any of the above circumstances, the Bank shall have the right to unilaterally operate the Borrower's accounts referred to above and shall have the right to unilaterally write off (debit) the funds (pledged assets) in the said accounts for the purpose of satisfying the pledged obligation or any part of the pledged obligation.

- 4.6 If a plot of land is pledged to the Bank to secure the fulfilment of the Borrower's obligations, it shall be deemed that, together with the plot of land referred to in the Special Paragraph, any equipment, structures and other appurtenances existing or to be constructed in the pledged plot of land are pledged to the Bank. Any structure constructed (under construction) on the land pledged to the Bank shall be registered as an appurtenance of that land. Upon the Bank's request, the Borrower shall ensure that all existing and future installations, structures or other appurtenances of the mortgaged land plot are pledged to the Bank as separate property units at the time of conclusion of the mortgage transaction.
- 4.7 If the amount of the Credit is used to pay for the acquisition of immovable property pledged to another creditor and/or the repayment of a credit (loan) granted by such creditor to the Borrower, The Borrower shall, prior to the disbursement of the Loan, provide the Bank with a written unconditional undertaking from the senior mortgage lender to waive the first ranking mortgage immediately after the indebtedness specified by such lender has been settled and the amount of the Loan requested by the Borrowers for disbursement of the Loan shall be sufficient for the full settlement of the indebtedness specified by such lender. If the Assets are pledged to the Bank as a first ranking mortgage, the Borrower shall ensure that such Assets are pledged to the Bank as a first ranking mortgage no later than 30 (thirty) days after the date of disbursement of the amount of the Credit Facility to cover the indebtedness of the higher ranking mortgage creditor, unless otherwise provided for in the Special Part.
- 4.8 Unless otherwise provided in the Specific Paragraph, the Parties agree that the mortgage/pledge agreements on immovable and/or movable property referred to in the Specific Paragraph shall secure the Borrower's principal obligation under the Agreement and the interest thereon, penalties and losses that the Bank may incur as a result of a default under the Agreement (i.e. the mortgage/pledge will secure both the principal obligation and the interest arising therefrom and the penalties and losses secured by the maximum mortgage/pledge).
- 4.9 There is no date set by agreement between the parties for the fixing of the maximum amount of the mortgage/pledge debt.
- 4.10 Unless otherwise provided for in the Specific Paragraph, the Parties agree that all mortgage/pledge agreements entered into for the purpose of securing the fulfilment of obligations under the Contract by pledging the assets specified in the Specific Paragraph shall be deemed to have been duly executed only after they have been registered in the public register(s) in accordance with the procedure established by the laws of the Republic of Lithuania.
- 4.11 The Borrower undertakes to pay or reimburse the Bank for all expenses incurred by the Bank in connection with the creation, amendment, termination, cancellation, registration and deregistration of the collateral, appraisal of the pledged property, insurance of the pledged property and other expenses related to the collateral.
- 4.12 The Borrower undertakes to enter into, or, if the pledged property is not owned by the Borrower, to procure the owner of the pledged property to enter into, a pledge insurance contract insuring the pledged property (other than land, property rights including leasehold rights, securities, present and future cash in accounts, deposits) at a minimum of the amount of the replacement value or the amount of market value. The pledged property shall be insured against destruction, damage or loss due to the effects of fire caused by fire, lightning, explosion, the effects of water (plumbing, heating, sewage accidents, etc.), broken glass, unlawful acts of third parties (burglary, theft, robbery, vandalism, etc.), theft of property, etc.), natural disasters (flood, storm, downpour, hail, heavy snowfall, ground subsidence, etc.), damage to or destruction of the property caused by other third parties, as well as to ensure that the insurance of the property is in force on the terms and conditions set out in the credit agreement for the entire duration of the credit period and that the terms and conditions of the insurance agreement are duly complied with, including payment of the insurance premiums (premiums). The Pledged Assets shall be insured from the date of conclusion of the Pledge Agreement until the expiry of the Pledge Agreement or the fulfilment of the obligations under the Agreement. The Borrower undertakes to ensure that the Pledged Assets are insured throughout the term of the Credit Facility. The term of the collateral insurance contract shall not be less than one year and thereafter the insurance contract shall be continuously renewed/extended or a new one shall be taken out until the fulfilment of the obligations under the Contract or the expiry of the pledge agreement.
- 4.13 If the term of insurance of the pledged property is shorter than the Final Repayment Date plus two months, the Borrower must pay all premiums on time, renew/extend the insurance contracts or enter into new ones, and provide the Bank with documents confirming the payment of premiums and the conclusion of insurance contracts.
- 4.14 If the Borrower fails to comply with the obligation to insure the pledged assets in accordance with the terms and conditions set out in the Agreement, the Bank shall have the right to insure the pledged assets itself. In such case, the Borrower shall be obliged to reimburse the Bank for the costs of insuring the Collateral.

- 4.15 The Borrower undertakes to ensure that the Bank is named as the beneficiary in the collateral insurance contract.
- 4.16 In the event of an insured event, the Borrower must immediately inform the insurer and notify the Bank in writing immediately, but not later than within 3 (three) business days. The Bank shall be entitled to apply the insurance benefit received under the collateral insurance agreements to cover the Borrower's indebtedness under the Agreement (regardless of the repayment terms provided for in the Agreement), and to pay the part of the insurance benefit exceeding the Borrower's indebtedness to the Bank to the Borrower.
- 4.17 If the Bank has offered to conclude an insurance contract with a specific insurance company, the Borrower shall have the right to conclude an insurance contract with an insurance company other than the insurance company offered by the Bank, provided that the insurance cover provided by that insurance contract is equivalent to the insurance cover provided by the insurance contract with the insurance company offered by the Bank.
- 4.18 The Parties agree that in the event of enforcement of the Agreement, the Bank shall have the right, at its discretion, to choose the order, sequence and means of realisation (recovery) of the collateral securing the fulfilment of the Borrower's obligations under the Agreement.
- 4.19 If the Borrower applies to the Bank in writing with a request to review the measures securing the proper performance of the obligations under the Agreement (including the waiver of excess collateral when the relevant part of the Loan is repaid), the Bank shall consider the request and provide a response within 30 (thirty) days at the latest. The Bank shall have the right to refuse to change the terms of the Agreement regarding the means of securing the fulfilment of obligations if the granting of the request would result in an increase in the Credit risk, the ratio of the credit balance to the value of the collateral would increase to a level that is unacceptable to the Bank, or if it would be established that the Borrower's solvency or financial situation is deteriorated or that the Borrower has not properly performed his/her contractual obligations etc.
- 4.20 When the value of the pledged real estate decreases during the term of the credit agreement, the Bank shall not be entitled to require additional collateral to secure the fulfilment of its obligations under the credit agreement, except in cases when the value of the pledged real estate decreases due to the fault of the borrower or the collateral provider.
- 4.21 The Bank shall keep data on the real estate mortgaged to secure the performance of obligations under the Credit Agreement for 10 years from the date of performance of obligations under the Agreement, unless the legislation regulating the legal protection of personal data and the retention of documents stipulates a longer retention period for data.

## 5 CHAPTER. INTEREST

- 5.1 For the use of the credit throughout the credit period (until the credit is fully repaid to the Bank) the Borrower undertakes to pay to the Bank, in accordance with the procedure set out in the Agreement, the Interest calculated on the amount of the credit disbursed and not yet reimbursed, from the day (inclusive) when the Bank disburses the credit or part thereof in accordance with the procedure set out in the Agreement until the day when the credit is actually repaid to the Bank.
- 5.2 Interest is payable to the Bank each month on the Payment Date of that month. Interest shall be payable in the currency of the Credit. The provisional amounts of Interest payable are set out in the Payment Schedule and are calculated on the assumption that the Borrower will repay the Loan on the dates specified in the Agreement. The amounts of Interest payable as set out in the Payment Schedule will change as a result of repayment of the Loan, drawdown of the Loan and/or changes in the level of Interest other than at the times set out in the Payment Schedule.
- 5.3 Interest shall be calculated on the basis of 360 (three hundred and sixty) days per year and the number of calendar days per month.
- 5.4 The Bank shall have the right to unilaterally change the Variable Interest Rate and to choose another indicator published in the most comparable manner according to its calculation principles and methodology to be used as the Variable Interest Rate if no Variable Interest Rate is published for two consecutive months prior to the Interest Change Date. The Bank shall provide the Borrowers with 60 (sixty) calendar days' notice of the changes referred to in this Clause. The Bank shall also have the right to apply the principles and conditions of EURIBOR change set out above in this Clause if, in the Bank's opinion, there is a material change in the principles and/or methodology of EURIBOR calculation. In such case, if the Borrower disagrees with the changes made, he/she shall have the right to repay to the Bank within 60 (sixty) days from the date of receipt of the Bank's notification, without payment of early repayment fee, the full amount of the Loan as well as the other Payments accrued on the date of repayment of the Loan, failing which it shall be deemed that the changes made shall take effect as of the day set by the Bank.
- 5.5 The Bank shall inform the Borrower of changes in the Interest Rate on the Interest Change Date as a result of a change in the amount of the Variable Interest Component by updating and submitting the Payment Schedule in accordance with the procedure set out in the General Terms.
- 5.6 In the event of material breaches of the Agreement not related to non-performance of financial obligations under the Agreement (i.e. breaches of the Agreement not subject to interest), the Bank may apply to the Borrower the Bank's increased margin as set out in the Special Part. The increased Bank Margin shall be applied if the Borrower fails to cure the breach of the Agreement within an additional period of 30 (thirty) days set by the Bank and shall be applied for the entire period of the breach of the Agreement. The Bank shall inform the Borrower of changes in the Interest Rate due to a change in the Bank Margin by updating and submitting the Payment Schedule in accordance with the procedure set out

in the General Terms. In the event of a change in the Bank's margin, the Total Interest Rate shall be recalculated accordingly.

- 5.7 If the Borrower disagrees with the increase in the Bank's margin as provided for in the Agreement, the Borrower shall have the right to repay the Loan to the Bank before the maturity date within 55 days from the date of the Bank's written notification, without paying compensation for premature repayment of the Loan, to which he/she does not agree with the new Bank's margin rate, and to pay the other Payments accrued on the date of repayment of such Credit, or to terminate the Agreement unilaterally, out of court, and to repay to the Bank the Credit in full before the due date, in accordance with the procedure set out in the Agreement, and to pay the other Payments accrued on the date of repayment of the Credit. If the Borrower fails to repay the Loan within the period specified in this clause, it shall be deemed that the Borrower has not exercised its right to terminate the Agreement and repay the Loan and agrees to pay the Bank's margin specified in the Bank's notice of change of the Bank's margin rate.
- 5.8 If the Bank commences compulsory recovery of the debt under the Agreement, the Borrower shall be obliged to pay the annual procedural interest on the total amount of the Borrower's indebtedness to the Bank as prescribed by law.
- 5.9 The Payment Schedule sent to the Borrower shall become an integral part of this Agreement and shall replace the previous Payment Schedule. The Borrower declares that the sending of the Payment Schedule in accordance with the procedures set out in the General Terms constitutes a proper notification to the Borrower of the change in the Payment Schedule and the Payment Schedule sent in accordance with the aforementioned procedures shall be deemed to be the Payment Schedule signed by the Borrower.
- 5.10 Where the type of interest specified in the Contract is Variable Interest, the amount of interest may change due to a change in the meaning of the Variable Interest component. The type of Interest and the amount of the Interest/Bank Margin may also be changed by agreement between the parties or, in the cases and in the manner specified in the Agreement, unilaterally by the Bank. The Borrower shall have the right to apply to the Bank in writing or in any other manner specified by the Bank for a change in the type of Interest and in the amount of the Interest/Bank Margin. The Bank shall examine the decision on the submitted request and provide a reply within 30 (thirty) days at the latest. The Bank shall have the right not to agree to change the type of Interest and the amount of the Interest/Bank Margin in accordance with the terms and conditions specified by the Borrowers, or shall have the right to propose a change in the said terms and conditions other than those specified by the Borrower. Either Party shall have the right not to accept the other Party's proposal to amend the terms of the Agreement. Any change in the type of Interest and in the amount of the Interest/Bank Margin shall be implemented by signing the corresponding amendment to the terms and conditions of the Contract, except where such change is made unilaterally by the Bank in the cases and in the manner specified in the Contract or where the amount of the Interest is changed in accordance with the procedure set out in the Contract as a result of the change in the value of the Variable Interest Amount. The Borrowers shall be obliged to pay the Bank for the change in the type of Interest and the amount of the Interest/Bank Margin made by agreement between the Parties in accordance with the Bank's then applicable fees for the Bank's services and transactions. The Bank's margin shall be increased or decreased by agreement between the parties after taking into account the Borrower's risk, the ratio of the market value of the Loan to the market value of the assets, the Borrower's credit risk as assessed in the course of the Bank's creditworthiness assessment procedure, the Borrower's performance of its obligations under the Agreement, and any other relevant circumstances.

## 6 CHAPTER. FEES

- 6.1 The Borrower undertakes to pay such fees to the Bank:
- 6.1.1 the credit extension administration fee set out in the Specific Part. The administration fee shall be payable on the date of signature of the Agreement, but no later than 5 (five) Business Days after the date of signature of the Agreement. The Credit shall be disbursed only after payment of the administration fee for the granting of the Credit. The Borrower agrees that upon conclusion of the Agreement, the Bank shall debit the Credit Disbursement Administration Fee from the Account without the Borrower's separate instruction and consent. The Bank shall not refund the Loan Origination Administration Fee already paid (except when the Borrower exercises the right to withdraw from the Agreement);
- 6.1.2 Valuation fee - the fee for the valuation of the pledged/pledged property by the Bank's valuer. The asset valuation fee is payable for each unit or complex of assets;
- 6.1.3 The fee for amending the terms of the Agreement as specified in the fees published on the Bank's website (the Bank, after assessing the amendments to the Agreement, may set a different fee than the one specified in the fees). The fee shall apply if the terms and conditions of the Agreement are amended at the request of the Borrower or as a result of the Borrower's default, but not as a result of the Bank's actions. This fee shall be payable separately for each amendment to the Contract on the date of conclusion of the amendment. The fee shall not apply in the case of early repayment of the credit;
- 6.1.4 The monthly administration fee for the credit agreement, as set out in the Special Part. The fee shall be payable on each monthly Payment Date specified in the Agreement;
- 6.1.5 Commitment fee. The fee shall be payable each month on the Payment Date set out in the Contract;
- 6.1.6 compensation for possible losses directly related to the repayment of the credit or part of it before the end of the credit agreement. The compensation is calculated by the Board of the Bank of Lithuania on 13 December 2016. The compensation for the repayment of a real estate-related credit before the expiry of the credit agreement shall be

calculated in accordance with the procedure set out in the Rules for Calculation of Compensation for the Repayment of a Real Estate-Related Credit before the Expiry of the Credit Agreement approved by Resolution No 03-177 of the Bank of Lithuania on 31 December 2016. The compensation shall not be paid if the credit or a part thereof is repaid on the day of change of the variable credit interest rate. The maximum amount of the compensation shall be as specified in the Special Part;

- 6.1.7 the Bank's fees for other services, the amounts of which are set out in the Bank's service fees published on the Bank's website.
- 6.2 The Borrower undertakes to pay to the Bank all other fees for all services rendered by the Bank to the Borrower, to pay or reimburse the Bank for all other banks' fees in connection with the services rendered by other banks, and for costs and fees in connection with the performance of the terms and conditions of the Contract (including the creation of any security for the fulfilment of the obligations) and the collection of any debt under the Contract.
- 6.3 The Borrower undertakes to bear, promptly and at its own expense, the costs of contracting, registering, amending, de-registering, deregistering, cancelling, insuring, valuing, maintaining and selling the security instruments for the performance of its obligations under the Agreement. The Bank shall be entitled to bear the costs listed in this clause at the expense of the Borrower. By signing the Agreement, the Borrower grants the Bank the right to debit on the same day, without the Borrower's separate instruction and consent, the necessary amount to reimburse the Bank for the costs incurred by the Bank as referred to in this clause from the Borrower's accounts with the Bank.
- 6.4 The Bank shall have the right to unilaterally change the amounts of the fees referred to in the Special Paragraph by publishing the applicable fee amounts on the Bank's website or by informing the Borrower in another way 60 calendar days in advance. If the Borrower does not agree with the changes in the applicable fees referred to in the Specific Part of the Agreement, he/she shall have the right to repay the credit earlier than the due date without having to pay any compensation for possible losses directly related to the repayment of the credit or a part of the credit prior to the expiration of the term of the credit agreement.

## **7 CHAPTER. PAYMENTS**

- 7.1 The Borrower shall ensure that on the Payment Date, whether or not the Payment Date provided for in the Contract is a Business Day, the Account contains the necessary amount of funds to make the Payments. Upon notice by the Bank to the Borrower, the Borrower will be required to transfer the amounts due to make the Payments to another account specified by the Bank. In the case of multiple Borrowers, the Borrowers shall determine their share of the instalment to be paid by mutual agreement, but shall in all cases be obliged to ensure that the obligations set out in this Clause are duly fulfilled.
- 7.2 All payments under this Agreement shall be made in the currency of the credit. In the event of default by the Borrower in making Payments, the Bank shall have the right to debit the amounts of the Payments from all accounts of the Borrowers with the Bank without any separate notice. If the currency of the amounts payable to the Bank and the currency of the funds in the Borrower's accounts differ, the Bank shall debit the amounts in the accounts to cover the amounts payable to the Bank, at the exchange rate determined by the Bank on the date of debiting.
- 7.3 Repayment of the Loan, Interest or other payments by the Borrower to the Bank shall be due no later than the due date for payment thereof set out in the Special Part and the Payment Schedule.
- 7.4 If more funds are transferred to the Bank than the amount due under the Agreement, the positive balance shall be credited to the Account without a separate instruction from the Borrower.
- 7.5 If the Bank receives from the Borrower an amount less than the total amount payable by the Borrower to the Bank under the Agreement, the Bank shall distribute and set off the funds received from the Borrower in the following order, irrespective of the purpose of the payment specified by the Borrower: first, the Bank's expenses incurred in connection with the administration of the Agreement and the collection of the debt; second, the fees; third, the fines and forfeitures assessed against the Borrower; fourth, the Interest; and finally, the Loan or any part thereof.

## **8 CHAPTER. REPAYMENT OF CREDIT**

- 8.1 Borrower:
  - 8.1.1 undertakes to repay the credit on the terms and in the amounts set out in the Special Part and the Payment Schedule;
  - 8.1.2 the credit must be repaid in the currency of the credit, unless the parties agree otherwise.
- 8.2 Unless otherwise specified in the Specific Part, the number of instalments of the Credit Instalments, Interest and Monthly Credit Agreement Administration Fee shall correspond to the period, in months, from the date of the first instalment of the Credit Instalment and/or Interest Payment to the expiry of the Final Repayment Term, and the number of instalments of the Credit Instalments shall correspond to the period, in months, from the Commencement Date for the repayment of the Credit specified in the Specific Part to the expiry of the Final Repayment Term. Unless otherwise specified in the Specific Part, instalments of the Credit Instalment shall be paid monthly. The Credit shall be repaid before the Final Repayment Date. The amounts of the instalments of the Credit specified in the Payment Schedule are indicative and subject to change as a result of the disbursement or repayment of a part of the Credit and as a result of a change in the Interest Rate.



- 8.3 The Bank undertakes to establish a new Payment Schedule each time a part of the Credit is repaid or the Credit or a part of it is disbursed, and in the event of a change in the Interest Rate, an amendment to the Contract (if such change results in a change to the Payment Schedule).
- 8.4 The Bank shall send the Payment Schedule to the Borrower within 5 (five) Business Days after the update of the Payment Schedule. The Payment Schedule shall be sent to the Borrower's last address known to the Bank or to the Borrower's last e-mail address known to the Bank. If within 10 (ten) days from the expiry of the period specified in this clause the Borrower has not contacted the Bank regarding any questions arising from the content of the Payment Schedule or the non-receipt of the Payment Schedule, it shall be assumed that the Borrower has received the Payment Schedule, understands and agrees to the terms and conditions thereof. If the Payment Schedule is established for the duration of the Interest Period or until the next Interest Change Date, this shall not be deemed to be a shortening of any terms provided for in the Agreement or an exemption of the Borrower from the payment of any other amounts due under the Agreement.

## **9 CHAPTER. EARLY REPAYMENT**

- 9.1 The Borrower shall have the right to repay all or part of the Loan earlier than the Final Repayment Date and/or the due dates set out in the Payment Schedule.
- 9.2 If the Borrower wishes to repay all or part of the Loan earlier than the terms set out in the Agreement, the Borrower shall submit to the Bank a request in the form prescribed by the Bank at least 3 (three) Business Days before the scheduled early repayment of all or part of the Loan, unless the Bank agrees to a shorter period of grace or to the exclusion of the deadline altogether. In the event of the repayment of the entire Loan earlier than the due date the Agreement shall be deemed to have been terminated.
- 9.3 The minimum amount of the Credit or part thereof to be repaid before maturity may not be less than the amount obtained by dividing the amount of the Credit remaining to be repaid by the number of months remaining before the Final Repayment Date.
- 9.4 If the Borrower repays part of the outstanding Loan on his/her own initiative, the Bank shall resume the Payment Schedule, taking into account the amount of the Loan repaid prior to the due dates stipulated in the Agreement, in accordance with the method of offsetting the part of the Loan repaid in advance chosen by the Borrower in the application, recalculating the amounts of partial repayments of the Loan in such a way as to (i) avoid changing the Final Repayment Term stipulated in the Agreement, or (ii) avoid changing the amounts of the partial repayments of the Loan set out in the Payment Schedule by shortening the Final Repayment Term of the Credit.
- 9.5 If the Borrower repays part or all of the Credit to the Bank before the due dates set out in the Agreement, the total cost of the Credit will be reduced accordingly. The Parties agree that the reduction of the total cost of credit shall not apply in respect of fees paid to the Bank (e.g., the Contract Administration Fee) prior to the time of early repayment of all or part of the Loan, i.e., fees and other payments made to the Bank pursuant to the Contract shall not be refunded to the Borrower.
- 9.6 The Parties agree that if the Borrower repays part of the Loan before maturity, no separate agreement shall be made to amend the terms of the Agreement, nor shall any amendments be made to the mortgage agreements entered into to secure the performance of the obligations under the Agreement with respect to the change in the amount of the obligation or the term of the obligation. In the event that the Borrower wishes to make such amendments to the Agreements, the Borrower shall be liable to pay the costs of the amendment of the mortgage agreement(s).
- 9.7 In the event of early repayment, the Borrower will not be able to draw on the Credit already repaid.
- 9.8 The Borrower shall ensure that on the date of early repayment of the Loan or part of the Loan specified in the request, the Account shall contain sufficient funds to repay the amount of the Loan repaid early, the compensation referred to in Clause 6.1.6 of the General Terms of the Agreement, the Interest calculated up to the date of repayment of the Loan, other amounts (if any) payable under the Agreement.
- 9.9 The Bank shall have the right not to execute the Borrower's request for early repayment of the credit if the funds in the Account are insufficient to repay the amount of the credit as specified in the request and to pay the compensation and the amounts payable to the Bank under the Agreement. The Bank shall inform the Borrower by telephone or by e-mail of the reasons for the failure to comply with the request.

## **10 CHAPTER. INTEREST ON LATE PAYMENTS AND PENALTIES**

- 10.1 In the event of missing the Payment Deadlines, the Borrower shall pay to the Bank, for each calendar day of missing the due date, a late payment interest of the amount specified in the Special Part on the amount of the unpaid credit instalments and the amount of the Interest whose due date is missed. Upon expiry of the term of the Agreement or before the final repayment date of the Loan, if the Bank terminates the Agreement and/or the Bank demands repayment of the Loan in full, the Borrower shall pay to the Bank, for each calendar day of default, a late payment interest of 0.015 per cent on the amount overdue. The interest shall be calculated for a period not exceeding 180 days for each overdue amount.
- 10.2 7.2 Payment of interest, late payment interest and/or penalty shall not relieve the Borrower from the performance of its obligations under the Agreement, from the obligation to remedy the breaches, if objectively possible, and to continue to comply with the terms of the Agreement, nor shall it be construed as a postponement of the payment deadlines or as a limitation of the Bank's rights to terminate the Agreement and to collect the Borrower's indebtedness.

## 11 CHAPTER. OTHER RIGHTS AND OBLIGATIONS OF THE BORROWER AND THE BANK

- 11.1 The Borrower undertakes to provide the Bank with such information:
- 11.1.1 documents specified by the Bank, necessary for the assessment of the Borrower's economic and financial situation and related to the performance of the Borrower's obligations under the Agreement or related to the property pledged to the Bank - within 7 (seven) calendar days after receipt of the request;
  - 11.1.2 information on the execution of the Agreement, the Borrower, the owners of the collateral, guarantors, guarantors and other persons, other information which, in accordance with the legislation of the Republic of Lithuania, the Bank is obliged to provide to the Bank of Lithuania and other state institutions, as well as other information requested by the Bank;
  - 11.1.3 notifications of obstacles to the performance of the obligations under the Agreement or other circumstances that may adversely affect the proper performance of the Borrower's obligations to the Bank under the Agreement - not later than within 3 (three) Business Days from the date of occurrence of such relevant obstacles;
  - 11.1.4 information about any default or inadequate performance of any financial obligations by the Borrower;
  - 11.1.5 inform the Bank in writing within 7 (seven) days when: (i) bankruptcy/restructuring proceedings are opened against the Borrower, the person who guaranteed the Borrower or the owner of the collateral, or the person who guaranteed the Borrowers dies (ceases to exist); (ii) financial difficulties arise, delays in payments are expected, or other significant events occur which have or may have a negative impact on the performance of the Borrowers' obligations under the Agreement.
- 11.2 The borrower undertakes to:
- 11.2.1 to use the credit for its intended purpose and, if requested by the Bank, to provide documents confirming this;
  - 11.2.2 pay the difference between (i) the total cost of the acquisition of the real estate, the amount indicated in the estimate for construction, reconstruction, repair, finishing, etc. (depending on the purpose for which the Credit is granted) and (ii) the amount of the Credit requested to be disbursed, and provide the Bank with payment documents proving the payment of the difference, prior to the disbursement of the Credit, with his/her own (i.e. unborrowed) funds. In the case of acquisition of real estate, the difference between the purchase price of the real estate and the amount of the Credit requested to be disbursed must be paid by credit transfer from an account with the Bank or another financial/payment institution, except for the 5% of the purchase price of the real estate, which may be paid in cash or otherwise (if the amount of cash payments exceeds EUR 5,000, cash payments must be made to an account with the financial/payment institution);
  - 11.2.3 to enable the Bank's representatives to inspect the pledged property, as well as the property for the acquisition (construction, reconstruction, repair) of which the Credit has been used, and to get acquainted with all the necessary documentation without any hindrance. Upon the Bank's request, the Borrowers shall, within 7 (seven) days, provide the Bank with documents on their salary or other income, on the assets they own, on the use of the Credit for its intended purpose and/or on the fulfilment of their obligations under the Agreement;
  - 11.2.4 inform the third party of the main terms and conditions of the Agreement, in particular by drawing the third party's attention to the provisions of Chapter 13 of the General Terms, if the Borrower's obligations under the Agreement are secured by means of security granted by third parties;
  - 11.2.5 not to pledge the funds in the Account and, without informing the Bank in writing, not to assume (i) any monetary obligations under credit, loan or other agreements concluded with third parties, the amount or value of which is equal to or exceeds ten (10) per cent of the amount of the Credit; and (ii) any obligations under any guarantees, sureties, pledge of assets or other agreements securing the fulfilment of obligations, the amount or value of which is equal to or exceeds ten (10) per cent of the Credit;
  - 11.2.6 in the event of any of the breaches referred to in Clause 12.1 of the Agreement or in the event of the occurrence of any of the specified circumstances, and upon the Bank's request, to provide, within thirty (30) days from the date of the Bank's written request, additional means of security for the fulfilment of the obligations under the present Agreement (e.g., mortgage of or pledge of additional assets) acceptable to the Bank, to be executed on terms and conditions satisfactory to the Bank by means of appropriate transactions or to reduce the credit balance to the amount specified by the Bank;
  - 11.2.7 to pay the Bank for the services rendered to the Borrower in accordance with the rates established by the Bank in force at the time of rendering the service, as well as to pay or reimburse the Bank for all fees and expenses related to the pledge of the property, the appraisal of the collateral and the insurance of the collateral, and all other expenses related to the execution of the Contract and the recovery of the debt under the Contract.
- 11.3 The Bank undertakes to:
- 11.3.1 To disburse the credit in accordance with the terms and conditions set out in the contract;
  - 11.3.2 provide a response within 30 (thirty) business days if the Borrower submits a written inquiry and/or request;
  - 11.3.3 At the request of the Borrower, after the Borrower has duly fulfilled all its obligations under the Agreement and paid all fees related to the cancellation of the pledge of the property and its deregistration from the State Register in accordance with the procedure established by law, to deregister the mortgage or pledge no later than within 30 (thirty) calendar days from the date of submission of the Borrower's request and payment of the fees related to the deregistration of the mortgage/mortgage;

- 11.3.4 To provide information on the outstanding balance in writing, free of charge, within 10 (ten) working days, once a month, at the request of the borrower.
- 11.4 A Borrower wishing to sell, gift or otherwise transfer, pledge, lease or otherwise convey, or otherwise restrict the ownership rights to the Collateral must apply to the Bank in writing or in any other manner specified by the Bank for the relevant permission. The Bank shall consider the application and provide a response within 30 (thirty) days at the latest. The Bank shall have the right not to grant the request of the Borrowers if the granting of the request would impede the possibility, in case of necessity, to realise the pledged property (including by compulsory procedure) or would potentially reduce the sale price of the pledged property, or would impair the value of the pledged property, its liquidity, or would otherwise materially change the legal or factual situation of the pledged property, of which, with the knowledge of the Bank, it would not have granted a Loan, or would have granted a Loan on different terms.

## 12 CHAPTER. TERMINATION OF THE CONTRACT

- 12.1. The Bank shall have the right to demand that (i) the Borrower repay to the Bank all outstanding Credit within 30 (thirty) days from the date of receipt of the Bank's written demand; or, ii) unilaterally, without recourse to court, terminate the Agreement early and require the Borrowers to repay to the Bank all outstanding Credit within 10 (ten) days of the date of termination of the Agreement, upon giving the Borrowers, jointly or severally, at least thirty (30) days' prior written notice to the Bank, in the event that the Borrowers, together or individually, commit at least one of these material breaches of the Agreement or if any one of the following circumstances comes to light:
- 12.1.1 The Borrower fails to repay the Loan instalment as stipulated in the Agreement within the terms stipulated in the Agreement for more than 90 (ninety) days and/or fails to pay the accrued Interest or fails to make any other payments and fails to cure the breach within an additional period of 30 (thirty) days specified by the Bank;
- 12.1.2 The Borrower The Borrower for more than 90 (ninety) days (i) fails to perform or improperly performs any of its other contractual obligations set out in 4.6, 4.7, 11.2, 11.4 (or one or more of these clauses), and/or (ii) fails to insure or inadequately insure the Collateral, and/or (iii) fails to comply or inadequately complies with at least one of the conditions set out in the Special Part; and fails to cure at least one of the breaches set out in this clause within the additional period of 30 (thirty) days specified by the Bank;
- 12.1.3 contracts between the Borrower and the Bank are terminated due to improper performance of obligations;
- 12.1.4 it turns out that the Borrower has deliberately concealed (withheld) or falsified the information provided to the Bank necessary for creditworthiness assessment;
- 12.1.5 the security agreement is disputed, or proves to be null and void or no longer valid, or the collateral is seized and the seizure of this collateral is not lifted and evidence of the lifting of the seizure is not submitted to the Bank within one month from the date of seizure of this collateral;
- 12.1.6 the market value of the Credit and the asset is impaired, if such impairment is due to the fault of the Borrowers or the owners of the collateral;
- 12.1.7 third parties' property claims against the collateral or the obligations of the pledgor to third parties (lease, usufruct agreements, etc.) against the collateral become known, or there are any other grounds, not mentioned in the Agreement, provided for in the legislation of the Republic of Lithuania, when the Bank shall have the right to direct the enforcement against the collateral prior to the due date of fulfilment of the obligation. The Bank shall make a decision on termination of the Agreement and/or other actions provided for in the Agreement only after examining each circumstance/situation individually and taking into account the legislation and the existing case law in the field of consumer rights protection;
- 12.1.8 The Borrower's account with the Bank or another credit institution is seized or the Borrower's right to dispose of it or the funds therein is otherwise restricted and such restriction is not lifted within the notice period set by the Bank, or third parties initiate compulsory recovery from the Borrower's pledged and/or other assets, as well as on other grounds established by laws and regulations, where the Bank is entitled to collect the debt from the collateral prior to the due date of the obligation;
- 12.1.9 circumstances arise which suggest that there is a real threat to the Borrower's economic and financial standing, its ability to repay the credit or part thereof on time and/or to fulfil other monetary obligations set out in the Agreement (bankruptcy proceedings have been initiated against the Borrower, the Borrower's financial standing has deteriorated in comparison to the Borrower's financial standing on the date of signing the Agreement, the Bank disburses the credit on the basis of the Guarantor's claim, the Borrower's assets or a part of the assets have been attached etc.);
- 12.1.10 the borrower fails to properly fulfill the obligations set out in Section 4 of the General Part and in Clause 11.1 of the General Part. ;
- 12.1.11 the owner of the pledged item, the pledgor and/or guarantor, the guarantor, the Borrower fails to perform or improperly performs its obligations under the pledge agreements or the suretyship, guarantee, subordination of loans, escrow agreements, or disputes or invalidates any of these agreements securing the Borrower's performance of its obligations hereunder, or in any way breaches other agreements securing the fulfilment of its obligations, or any of these agreements are disputed or invalidated; or if the Collateral is materially impaired, the value or quantity of the Collateral is diminished due to the fault of the Borrower or the Collateral Provider, or the Collateral is destroyed or depleted;
- 12.1.12 The borrower has not used the credit or part of the credit for the purpose specified in the Special Part;

- 12.1.13 The Borrower has provided the Bank with false information about its activities, financial position, use of credit or any of the Borrower's representations referred to in the General Terms 13.1, 13.2.2-13.2.7 are not true;
- 12.1.14 other circumstances provided for by the legislation of the Republic of Lithuania arise, under which the Bank shall have the right to terminate the Agreement and/or initiate debt recovery.
- 12.1.15 Other material breaches of the Contract not specified in this clause are revealed.
- 12.2 The Bank shall notify the Bank of the termination of the Agreement or of the requirement to repay the credit or any part of it before the due date and to pay any other sums due as provided for in the General Terms 12.1 point and in Clause 16.6 of the General Terms. The Bank shall notify the Borrower by sending a notice in accordance with the procedure set out in point 16.6 of the General Part. Such notice shall be deemed to be adequate notice to the Borrower of the unilateral termination of the Agreement without recourse to a court of law or of the repayment of the entire outstanding Loan before the due date. Prior to termination of the Agreement, the Bank shall have the right to unilaterally revoke the termination of the Agreement.
- 12.3 In the event of default by the Borrower under the Agreement and/or the grounds for termination of the Agreement, but irrespective of whether the Agreement has been terminated and irrespective of whether the Borrower is paying interest and late payment charges for the default, the Bank shall also have the right:
  - 12.3.1 deny credit, and/or;
  - 12.3.2 suspend the extension of credit, and/or;
  - 12.3.3 require additional security for the performance of the Contract.
- 12.4 The Bank shall be entitled to the Borrower's total drawn and unpaid credit, unpaid interest, late payment interest and other amounts payable under this Agreement in the cases provided for in this Section:
  - 12.4.1 demand early repayment;
  - 12.4.2 recovered in accordance with the law;
  - 12.4.3 debited by debit transfers or other means acceptable to the Bank from all the Borrower's accounts and deposits with the Bank;
  - 12.4.4 set off against the Bank's obligations to the Borrower, if any;
  - 12.4.5 suspend the disbursement of funds (the Borrower's right of disposal) from the Borrower's accounts pledged to the Bank.
- 12.5 Termination of the Agreement shall not suspend the accrual of interest, late payment interest and other payments provided for in the Agreement and shall not extinguish the Borrower's obligation to repay the credit, to pay the interest, late payment interest and other payments provided for in the Agreement and to fulfil other obligations arising from the Agreement.
- 12.6 In the event of the occurrence of at least one of the circumstances provided for in Clause 12.1 or the Bank's finding of at least one breach referred to in Clause 12.1, the Bank shall have the right to take a number of actions (terminate the Agreement early, increase the Bank's margin, etc.), at the Bank's discretion, which action provided for in the Agreement shall be taken in the particular case, and the Bank's request shall be binding on the Borrower, and shall not extinguish the Bank's right to take any other action, if the circumstances referred to above do not disappear or the breach is not cured.
- 12.7 The Borrower shall have the right to withdraw from the Agreement within 14 days from the date of conclusion of the Agreement, without giving any reason, provided that: i) he/she notifies the Bank in writing of his/her intention to withdraw from the Agreement; ii) he/she repays to the Bank the total amount of the credit and the interest accrued from the date of disbursement of the credit or part thereof to the date of the actual repayment of the credit, as well as any other Payments, without delay, and not later than 30 days after the date on which he/she sent the notice of withdrawal to the Bank. The Borrower shall lose the right to withdraw from the Agreement if he/she does not exercise this right within 14 calendar days from the date of conclusion of the Agreement.

### **13 CHAPTER. CONFIRMATIONS BY THE PARTIES**

- 13.1 By signing the Agreement, the Parties confirm and warrant to each other that:
  - 13.1.1 the Party is a natural person, legally constituted, with full legal capacity, capable of engaging in economic and financial activities, of concluding the Contract, of entering into performance contracts and of fulfilling the obligations thereunder, and the Contract creates valid rights and obligations for the Party;
  - 13.1.2 If the Agreement is signed by an authorised representative of the Borrower, the Borrower's representative shall certify that the authorisation is valid and not revoked;
  - 13.1.3 The Contract is in the best interests of the Party and does not impose unequal or preferential treatment on either Party, and the provisions of the Contract, or any of them, are not inconsistent with the provisions of any other contract and/or legislation in force in respect of the Party, including court/arbitral decisions or decisions of public authorities binding on the Parties.
- 13.2 The Borrower further confirms and warrants that:

- 13.2.1 All the terms and conditions of the Agreement have been individually discussed and explained to the Borrower prior to the signing of the Agreement and are clear, understandable and acceptable to the Borrower;
- 13.2.2 The Agreement is entered into with the knowledge and consent of the Borrower's spouse (where the Borrower is married) and does not conflict with the interests of the Borrower's family, and the Borrower has not entered into a pre-nuptial agreement, or the Borrower has submitted a pre-nuptial agreement to the Bank.
- 13.2.3 The information given in the credit application, credit and other documents submitted to the Bank for the purpose of obtaining credit is true and unadulterated and reflects the true situation;
- 13.2.4 As at the date of signing of the Agreement, the Borrower has no other financial obligations under any credit, loan, guarantee, surety, guarantee, pledge agreements (mortgage and movable property notes/agreements), nor is the Borrower subject to any attachments or other interim measures of protection or any court (arbitration) proceedings pending as at the date of signing of the Agreement, except for those proceedings, obligations and/or restrictions which are known to the parties as at the date of signing of the Agreement on the basis of the Borrower's credit application or any other document submitted to the Bank by the Borrower;
- 13.2.5 The Borrower has obtained all consents, permits, licences, registrations, approvals and other actions necessary for the proper performance of the terms of the Agreement and for the use of the credit for the purposes for which it is intended, and for entering into the Agreement and the relevant performance security agreements;
- 13.2.6 The conclusion of the Agreement and the relevant performance security agreements shall be without prejudice to any other agreements entered into by the Borrower;
- 13.2.7 It is not aware of any legal/arbitration proceedings that may impair its ability to fulfil its obligations under the Contract, nor is it aware of any person preparing or intending to initiate any such litigation.

#### **14 CHAPTER. POST-POSSESSORY PLEDGE**

- 14.1 The Borrower, by signing the Agreement, pledges to the Bank, by way of a first charge (post-security pledge), all present and future monies (future receipts) in all currencies in all accounts with the Bank in the name of the Borrower, as provided for in Clause 4.5 of the Special Part and Clause 4.5 of the General Terms, to secure the timely and full performance of its obligations to the Bank under this Agreement.

#### **15 CHAPTER. CONFIDENTIALITY AND PROCESSING OF PERSONAL DATA**

- 15.1 The terms and conditions of the Contract, agreements amending the terms and conditions of the Contract and information obtained by the Parties in the performance of the Contract shall be confidential and shall not be disclosed to third parties without the consent of the other Party, except as provided for in the Contract and in the legislation in force in the Republic of Lithuania.
- 15.2 Disclosure of information shall not be deemed to be a breach of Clause 15.1 if the information is disclosed to an audit firm that audits the Bank's operations or financial statements, and/or to a major shareholder of the Bank, and/or to companies affiliated with the Bank or a major shareholder of the Bank, and/or to a person who has secured the Borrowers' performance of their obligations under the Agreement, and/or to attorneys who provide legal services to any of the Parties, and/or to any other persons to whom the Bank has a duty to disclose or a legitimate interest.
- 15.3 The Bank hereby informs that it will collect information about the Borrower necessary for the assessment of the Borrower's creditworthiness and debt management, process their personal data and submit the information obtained, including personal data, to the loan risk database compiled and managed by the Bank of Lithuania. In the event of default by the Borrower, the information will be provided to the joint debtor data files (e.g. Creditinfo).
- 15.4 The Borrower's personal data is processed in accordance with the Bank's Privacy Policy published on the Bank's website.

#### **16 CHAPTER. FINAL PROVISIONS**

- 16.1 The Contract shall be deemed to have been concluded and shall enter into force on the date of signature of the Contract (Specific and General Terms) and its Annexes. The obligations of the Borrower under the Agreement shall remain in force until fulfilled. If the Parties fail to sign the Specific Part or the General Terms, the Agreement shall be null and void.
- 16.2 Where references are made to clauses in the Specific Part of the Contract without specifying the part of the Contract in which the clauses are contained, the references shall be deemed to be to the clauses in the Specific Part of the Contract. Where the General Terms of the Contract refers to clauses but does not refer to the part of the Contract containing those clauses, the clauses in the General Terms shall be deemed to be referred to.
- 16.3 The omission of a security, fee or any other term from the Contract, if agreed by separate agreement of the Parties, shall not affect the validity and/or enforceability of such term.
- 16.4 The terms and conditions of the Agreement may be amended or supplemented only by additional written agreement between the parties, except for the cases specified in the Agreement, when the terms and conditions of the Agreement shall be determined or amended by the Bank unilaterally.
- 16.5 The Borrower agrees that the Bank may assign its claim rights against the Borrower under the Agreement and the Collateral Agreements to third parties without the Borrower's prior express consent. The Borrower shall be informed in writing of the

assignment of rights and/or obligations. The Borrower shall not assign its obligations and rights under the Agreement to third parties without the Bank's written permission.

- 16.6 The Bank shall send all notices and amendments to the Payment Schedule to the Borrower by post to the Borrower's correspondence address specified in the Special Part and/or by e-mail to the Borrower's e-mail address specified in the Special Part, unless the Borrower specifies in writing a different correspondence address or e-mail address. Correspondence sent by post shall be deemed to have been received on the fifth (5th) calendar day following the date of posting. Correspondence sent by other means shall be deemed to have been received on the business day following the day on which it was sent.
- 16.7 If there are other terms and conditions of the Agreement not set out in the General Terms, or if the Bank imposes on the Borrower terms and conditions other than those set out in the General Terms, each of these terms and conditions shall be set out in the Special Part. If the terms of the Special Part and the General Terms differ, the terms of the Special Part shall apply.
- 16.8 If there is a plurality of persons on the Borrower's side, i.e. if there are two or more persons (co-borrowers) on the Borrower's side, then:
  - 16.8.1 The terms of the contract apply to all co-obligors;
  - 16.8.2 the co-obligors are jointly and severally liable for the performance of their obligations under the Contract.
- 16.9 The executed copy of the Agreement shall be retained by the Bank and the number of copies shall be as many as there are Borrowers. Each copy shall have the same legal effect. The Agreement may also be executed by means of a qualified electronic signature.
- 16.10 By entering into this Agreement, the Borrower confirms that the Bank has not changed the terms and conditions set out in the proposal during the review period and the Agreement is concluded on the terms and conditions set out in the proposal submitted to the Borrower, without prejudice to the requirements of applicable legislation and the Borrower's will.
- 16.11 The Parties agree that all legal disputes shall be subject to the jurisdiction of the registered office of the Bank.
- 16.12 The Borrower shall have the right to apply to the Bank of Lithuania for an out-of-court settlement of a dispute between the Bank and the Borrower. Before applying to the Bank of Lithuania for the settlement of a dispute, the Borrower shall apply to the Bank in writing, stating the circumstances of the dispute and its claim. The Borrower shall apply to the Bank not later than within 3 months from the date on which the Borrower became aware of the violation of his/her rights. If the Borrower disagrees with the Bank's decision or if the Bank does not respond within 14 days, the Borrower has the right to appeal to the Bank of Lithuania within 1 year. The procedure for out-of-court dispute resolution is provided for in the Resolution of the Bank of Lithuania No 03-23 of 26 January 2012 "On the Approval of the Rules of Out-of-Court Dispute Settlement of Disputes between Consumers and Participants of the Financial Market in the Bank of Lithuania". The customer's appeal to the Bank of Lithuania does not exclude the customer's right to apply to the court.
- 16.13 The Bank's activities shall be supervised and disputes arising out of this Agreement shall be settled by the Bank of Lithuania, whose address is Gedimino pr. 6, Gedimino pr. 6, LT-01103 Vilnius (address for correspondence is Totorių str. 4, LT-01121 Vilnius), tel.: 8 800 50 500, fax: +370 8 5 268 0038, e-mail: [adresas:info@lb.lt](mailto:adresas:info@lb.lt), web site on the Internet: [www.lb.lt](http://www.lb.lt).