STANDARD TERMS AND CONDITIONS OF THE CREDIT LINE AGREEMENT (valid from 01.10.2015)

1. TERMS

**Agreement fee** is the fee the borrower pays to the bank for the analysis of the borrower's loan application, organisation of financial resources, preparation of the agreement or amendments to the agreement.

**Annual percentage rate of charge** shows the amount of costs for the borrower coming from using the credit limit (interest, agreement fee) per year and it is disclosed as a per cent rate from the credit limit per year. The annual percentage rate of charge in the agreement is calculated as at the time of signing or amending the agreement and is valid only if the repayment conditions are not changed and the parties perform their contractual obligations on agreed terms and conditions. The annual percentage rate of charge is calculated on the presumption that the borrower starts using the credit fully and immediately and uses it in the total amount during the period the agreement is valid, which is why the commitment fee is not considered in the calculation of the annual percentage rate of charge. When calculating the annual percentage rate of charge the bank relies, according to the European Union requirements, on the formula confirmed by the minister of finance of the Republic of Estonia rounded to at least one decimal figure.

**Banking day** is a calendar day which is not Saturday, Sunday, a national holiday or a public holiday.

**Bank** is Swedbank AS, registry code 10060701, location Liivalaia 8, Tallinn 15040.

**Commitment fee** is the fee the borrower pays to the bank for the unused credit.

**Credit account** is the account noted in the principal terms and conditions of the credit agreement, which the bank will open for the borrower to use the credit and close when the agreement terminates without an additional order from the borrower. The credit account shall not be encumbered with third persons' rights, including pledging or making a claim for payment, but if the borrower's current account at the bank is subject to a claim for payment, then the bank shall suspend the right to use the credit account until the current account is released from seizure. The borrower can make transactions from the credit account based on the valid bank price list, and the borrower can repay credit to the credit account and see its information in the Internet Bank. In case a sum exceeding the credit limit is transferred to the credit account, it will be transferred to the borrower's current account (stated in the principal terms and conditions) at the change of the day.

**Credit limit** is the maximum amount of credit at the moment of signing the agreement or extending it for a one-year period. The bank shall have the right to extend the credit limit agreed on in the principal terms and conditions of the agreement by one-year periods in accordance with the procedure laid down in the standard terms and conditions. In case the validity of the credit limit is not extended, the credit repayment period begins, during which the credit limit is monthly reduced in the amount agreed on in the principal terms and conditions of the agreement.

**Credit limit usage term** is the period of time during which the borrower has the right to use the credit limit amount agreed on in the principle conditions. The bank shall have the right to extend the usage term of the credit limit agreed on in the principal terms and conditions of the agreement by one-year periods in accordance with the procedure laid down in the standard terms and conditions.

**Credit line agreement (hereinafter: agreement)** is the consumer credit agreement signed between the bank and the borrower. Standard terms and conditions of the credit line agreement (hereinafter: standard conditions), valid at the time of signing or amending the agreement, are also an integral part of this agreement and these shall not be signed separately as agreed between the parties. In case of a discrepancy between the principal terms and conditions and the standard conditions, the relevant principal condition shall apply. The General Terms and Conditions of the bank and Conditions for making Payment Transactions shall also apply to relationships not regulated by the agreement. The borrower can read more about the said conditions at the bank branch or at the bank's website.

**Credit repayment term** is the period of time during which the credit is reduced on the monthly payment day by the amount agreed on in the principal terms and conditions. The repayment term begins if the validity of the credit limit agreed on in the principal terms and conditions is not extended, i.e. the bank does not extend the credit limit or the borrower does not wish the credit limit to be extended. The credit limit on the first day of the repayment term is the used credit as of the change of the day and it will reduce on the monthly payment day by the amount agreed on in the principal terms and conditions. In case the borrower's credit account has insufficient funds on the monthly payment day for reducing the credit in the amount agreed on, the bank shall debit the amount to be paid on the monthly payment day or the deficient sum from the borrower's current account(s) without an additional borrower payment order.

**Current account** is the current account stated in the principal terms and conditions from which the contractual obligations are performed.

**Equal principal payment** is a condition of returning the credit which states that the credit principal amount to be repaid monthly is until the final date of the credit repayment term equal, except for the last payment which differs from the other payments due to rounding.
Final date of the credit limit usage term is the day when the borrower's right to use the credit limit in the amount agreed on in the principal terms and conditions of the agreement ends, in case it is not extended for a one-year period.

Final date of the credit repayment term is the day by which all the contractual obligations of the borrower must be fully paid to the bank. The final date of the credit repayment term depends on the credit size at the beginning of the repayment term and on the equal principal payment size.

Interest is the fee the borrower pays to the bank for using the credit.

Interest payment per day is the interest sum for one day applied in case of withdrawal from the contract, which is calculated on the presumption that there are 360 days in a year and the borrower takes the whole credit sum immediately into use.

Interest rate is the amount of interest given as a percentage.

Monthly payment day is the due date for monthly interest and/or commitment fee and during the repayment period it is the payment day for the monthly instalment (monthly credit repayment together with interest and/or commitment fee).

Party or parties are the bank and borrower together or separately.

Price list is the bank's price list which is available at the bank branches or website. Amendments to the price list take place according to the General Terms and Conditions of the bank.

Third party is every natural or legal person who is not a party to the agreement.

Total amount payable by the borrower (total credit cost) is the sum of the credit limit, interest to be paid until the final date of the credit repayment term and agreement fee. Total credit cost does not include fees which the borrower must pay to the bank in case of breach of contract. The commitment fee is also not a part of total credit cost because the total credit cost is calculated on the presumption that the borrower starts using the credit fully and immediately and uses it in the total amount during the period the agreement is valid, which is why the commitment fee is not considered in the calculation of the total credit cost. When the agreement is amended, the total credit cost calculation is based on the conditions valid at the moment the amendments are made.

Unused credit is the credit limit minus used credit.

Used credit is the amount of credit limit taken in use from the credit account at the end of the calendar day.

2. RIGHT OF WITHDRAWAL FROM THE AGREEMENT

2.1. The borrower shall have the right to withdraw from the agreement within 14 (fourteen) calendar days from the day the agreement becomes effective, by submitting to the bank a withdrawal application to the address of the bank or via the Internet Bank of Swedbank in the way required for the submission of bank notices. Should the borrower use the right to withdraw from the agreement, the borrower undertakes to immediately, but not later than within 30 (thirty) calendar days from the date on which the withdrawal application was submitted, repay the bank both the credit sum in use and the interest accrued from it. If the borrower does not repay the credit and the interest accrued from it within the aforementioned term, then it is considered that the borrower has not withdrawn from the agreement. The presumed amount of interest payment per day is written in the principal terms and conditions of the agreement.

2.2. In the case of an amendment to the agreement which increases the credit, the borrower shall have the right to withdraw from the agreement amendment within 14 (fourteen) calendar days by submitting to the bank a withdrawal application to the address of the bank or via the Internet Bank of Swedbank in the way required for the submission of bank notices. Should the borrower use the right to withdraw from the agreement amendment, the borrower undertakes to repay what was received from the bank after the amendment and the interest accrued from it immediately, but not later than within 30 (thirty) calendar days from the date on which the withdrawal application was submitted. If the borrower does not repay what was received after the amendment and the interest accrued from it within the aforementioned term, then it is considered that the borrower has not withdrawn from the agreement amendment.

3. DISBURSEMENT AND USE OF THE CREDIT

3.1. The bank undertakes to disburse the credit to the borrower's credit account no later than within 3 (three) banking days from the date on which the agreement became effective, without an additional order from the borrower and on the condition that the agreement fee is paid.

3.2. The borrower can repeatedly use the credit or parts of it by making transfers from the credit account according to the bank price list and by making repayments to the credit account. Interest shall be paid for using the credit and a commitment fee shall be paid for the unused credit on the credit account. Interest and commitment fee rates are agreed on in the principal terms and conditions of the agreement.

3.3. If the borrower has correctly followed the contractual obligations and according to the bank's knowledge, at the time of making the decision, the borrower's creditworthiness meets the requirements set by the bank, then the bank has the right to extend the usage period of the agreement credit limit by one-year periods without signing the respective agreement amendment annex and the standard conditions
referred to in the notice about the extension sent to the borrower are valid for the agreement. The borrower can read more about the credit agreement standard conditions at the bank branch or at the bank’s website.

3.3.1 The bank shall forward to the borrower a written notice about extending or not extending the credit limit 14 (fourteen) calendar days before the final day of the credit limit usage term at the latest. If the borrower does not want to extend the limit for the following one-year period (including if the borrower does not agree with the conditions in the offered agreement and the standard conditions of the agreement) then the borrower is obliged to notify the bank about it in written form on the banking day before the final day of the respective usage term at the latest.

3.3.2. If the bank receives the written notice from the borrower mentioned in clause 3.3.1. about not agreeing with the credit limit extension on time or in case the bank does not extend the credit limit in the sum agreed on in the principal terms and conditions of the agreement, the repayment period begins. The credit limit on the first day of the repayment term is the used credit as of the change of the day and it will reduce on the monthly payment day by the amount agreed on in the principal terms and conditions.

3.4. If the borrower has presented the bank with significant false information or the conditions which served as the basis for the credit issuance have changed significantly (including when the creditworthiness of the borrower has changed so repaying becomes endangered), then the bank has the right to refuse to allow the use of the credit or part of it based on the agreement.

3.5. The borrower shall be entitled to obtain, during the term of the agreement, bank statements on the use of the credit limit in the credit account on a permanent data carrier. The borrower can see the credit use on the credit account statement via the Internet Bank.

4. CREDIT REPAYMENT

4.1. During the repayment period the borrower shall repay the credit in monthly equal principal payments. In case the borrower's credit account has insufficient funds on the monthly payment day for reducing the credit in the amount agreed on, the bank shall debit the amount to be paid on the monthly payment day or the deficient sum from the current account stated in the principal terms and conditions of the agreement without an additional borrower payment order. The borrower shall ensure that the necessary sum is present on time in the credit or current account. If the current account does not have the sufficient sum on the payment day, the bank shall debit the necessary sum immediately after it is transferred to the current account. If the account stated in the agreement does not have the sum to be paid then the bank shall debit the sum to be paid from the borrower's other account(s).

4.2. The borrower has the right to repay the credit or parts of it before the final day of the repayment term by notifying the bank in written form 2 (two) banking days prior to the payment. In case of early repayment the borrower shall not pay the bank interest or a commitment fee for the credit or for the unused part or any other fees related with the early repayment for the time that follows the early repayment. The agreement is considered terminated if at the moment of agreement termination the borrower, who made the application to repay the credit early, has enough resources in the credit or current account to cover all the contractual obligations and calculated default interests. Via the Internet Bank the borrower can repay the credit or parts of it in a way available through the Internet Bank.

4.2.1. The borrower has the right to end the credit limit usage term agreed on in the principal terms and conditions of the agreement early, by presenting the respective application to the bank. After the credit limit usage term has ended, the credit repayment term begins on the conditions agreed on in clause 4.1. The parties agree that the credit repayment period begins within 3 (three) banking days at the latest after the bank has received the application without signing a respective agreement amendment annex.

4.3. If the borrower does not repay the credit on time during the repayment term, the borrower is, at the request of the bank, obliged to pay the debt procedure fee according to the bank price list.

5. CALCULATION AND PAYMENT OF INTEREST AND COMMITMENT FEE

5.1. Calculating the interest and commitment fee is based on the actual number of days in a calendar month and 360-day year. The bank calculates interest for used credit for every calendar day. The bank calculates a commitment fee for unused credit on the credit account for every calendar day. The borrower is obliged to pay the interest and/or commitment fee based on the rates stated in the agreement on the monthly payment day.

5.2. The bank shall debit the interest and/or commitment fee to be paid on the interest and commitment fee payment day from the current account. If the current account does not have the sufficient sum on the respective payment day, the bank shall debit the necessary sum immediately after it is transferred to the current account.

5.3. The borrower is obliged to ensure that the current account has sufficient sum for paying interest and/or the commitment fee on time. If the borrower does not repay the interest and/or commitment fee on time during the repayment term, the borrower is, at the request of the bank, obliged to pay the debt procedure fee according to the bank price list.
6. PAYMENT OF AGREEMENT FEE
6.1. When the bank extends credit to the borrower, the bank shall debit the agreement fee provided in the agreement from the current account noted in the principal terms and conditions of the agreement. If the agreement is amended the borrower is obliged to pay an additional agreement fee based on the price list. When the amendment becomes effective the bank shall debit the additional agreement fee from the current account noted in the principal terms and conditions of the agreement.
6.2. The bank has the right to receive the agreement fee also in the case that the borrower does not take the credit into use or if the bank does not pay the credit because the borrower has provided the bank with significant false information on the credit application or other documents (including notices and certificates).

7. DELAY OF PAYMENTS AND CHARGES PAYABLE UPON A DELAY
7.1. If there are insufficient funds in the borrower's current account on the monthly payment day for paying the sum to be paid, then the bank has the right to start calculating default interest from the deficient sum starting from the following day after the named day and according to the rate in the bank price list. Calculation of the default interest shall end on the day when the outstanding amounts are paid in full. When setting the default interest rates, the bank follows the requirements in the Law of Obligations Act. The bank shall debit the default interest to be paid from the current account.
7.2. If the borrower does not pay the contractual payments on time, has delayed the payment for more than 20 (twenty) calendar days and the bank has sent the borrower repeated reminder, then the borrower is, at the request of the bank, obliged to pay the debt procedure fee according to the price list.

8. ORDER OF PAYMENT
8.1. If the borrower is obliged to pay the bank different contractual sums simultaneously, then the debt collection costs are considered paid first, then the credit that was unpaid by the due date, then the unpaid interest and commitment fee according to the timely sequence starting from the earliest debt, then the default interest, penalties and other fees.
8.2. The borrower shall pay the bank all the contractual sums without deductions and set-offs.
8.3. If there are insufficient funds on the borrower's current account(s) in the currency required for the payment on the payment day, then the bank has the right to debit the sum in other currencies, by converting the necessary sum at the expense of the borrower. If there are several currencies available in the current account(s) of the borrower(s), then the bank shall decide the currency converting order. Information on the purchase/sales exchange rates is available on the bank website, at branches and via bank client support telephone.

9. OBLIGATIONS OF THE BORROWER
9.1. Within 5 (five) banking days after receiving the respective notice, the borrower is obliged to present the bank all documents requested by the bank, proving the credit capability of the borrower.
9.2. If the borrower has applied to court for debt transformation, the borrower is obliged to notify the bank of that within 5 (five) banking days.
9.3. The borrower is obliged to notify the bank within 5 (five) banking days if:
9.3.1 The borrower's personal and/or contact information changes;
9.3.2 Execution or judicial proceeding have been initiated regarding the borrower (including bankruptcy caution or if the court has been presented an application for declaration of bankruptcy by the borrower or by a third person);
9.3.3 Events occur which affect the performance of contractual obligations by the borrower;
9.3.4 The borrower has taken an additional loan and/or another proprietary obligation from a third person. Loan obligations are obligations which occur as a result of taking a loan, lease or guarantee transactions (including providing surety).
9.4. All regular incomes of the borrower, which were the basis for the decision to issue credit, shall accrue to the borrower's current account if the parties do not agree otherwise.
9.5. In case of not performing the contractual obligations set in clauses 9.1 and 9.3.2–9.3.4, the bank has the right to request from the borrower a penalty in sum up to 2% of the credit limit. The borrower is obliged to pay the said penalty to the bank within 10 (ten) banking days from receiving the respective notice from the bank.

10. CANCELLING THE AGREEMENT
10.1. The bank has the right to cancel the agreement and request an immediate performance of proprietary obligations and other contractual claims by notifying the borrower in written form, if:
10.1.1. The borrower has delayed fully or partially with 3 (three) consecutive repayments and does not pay the debt within 2 (two) weeks after receiving a respective claim from the bank;
10.1.2. The borrower does not perform other contractual obligations properly;
10.1.3. Execution or bankruptcy proceedings have been initiated regarding the borrower;
10.1.4. The borrower does not perform properly the proprietary contractual obligations agreed on with the bank and/or with the subsidiaries in the bank's consolidation group.
10.2. In events described in clause 10.1., the borrower is obliged to pay all payments within 14 (fourteen) calendar days after receiving the respective notice from the bank.

10.3. If the bank cancels the agreement then judicial and/or execution proceedings costs may apply which the borrower has to cover.

11. OTHER CONDITIONS
11.1. All contractual disputes shall be solved by agreement of the parties. In case an agreement is not reached, the dispute shall be solved by a competent pre-trial body (e.g. consumer claim committee) or by a court. Legislation of the Republic of Estonia is applied to the agreement.

11.2. Payment of the debt procedure fee, default interest, penalty or other contractual fees does not free the borrower from performing the contractual obligation(s).

11.3. The bank has the right to amend the agreement conditions unilaterally if the legislation regulating the consumer credit or other contractual relations changes, and if the amendment of the agreement is justified with co-ordinating the agreement with the new legislation. The bank shall notify the borrower about the amendments beforehand. In the case that the borrower does not agree with the new conditions the borrower has the right to terminate the agreement immediately.

11.4. Notices related with the agreement are forwarded to the other party in written form to the other party's address (in instances described in clause 10.1. in a format which can be reproduced in writing). A notice, which one party has sent to the other party to the address given in the agreement or in a latter notice, is considered delivered if 5 (five) banking days have passed from the mailing of the notice. The parties have the right to forward contractual written notices and applications to each other via the bank's Internet Bank or other electronic channels accepted by the bank. In such cases it is considered that the borrower has received the notices on the following banking day after the day the notice was sent at the latest.

11.5. The parties shall keep the agreement information confidential and shall not disclose it to third persons without a previous written approval from the other party, except for a third person who has the right to receive the information pursuant to the laws of the Republic of Estonia. By signing the agreement the borrower has agreed that the bank can disclose the information regarding the agreement and the borrower to the companies in the parent consolidation group of the bank. If the borrower does not perform the contractual obligations properly, the bank has the right to disclose the information regarding the agreement and the borrower to third persons (including the Estonian Credit Register managed by Krediidinfo AS). Processing the information regarding this agreement and the borrower (including disclosure to third persons) is done by the Principles of Processing Client Data valid in Swedbank Estonian companies and information in this clause does not exclude or limit the application of the aforementioned principles.

11.6. The Estonian Financial Supervision Authority (address: Sakala 4, Tallinn 15030, telephone: 6 680 500, e-mail: info@fi.ee, web page: www.fi.ee) conducts supervision over the bank.

11.7. The agreement or any amendments thereto shall become effective from the moment of signature of the agreement or an annex to the agreement by the parties and be effective until all the borrower's liabilities have been fully paid to the bank. If the agreement is made via the Internet Bank of the bank, the agreement shall become effective from the moment the borrower signs the agreement via the Internet Bank in the way required to this end or agreed to the amendments in the way required to this end. If the agreement is signed digitally and delivered by e-mail, the agreement shall become effective provided that the bank has received the agreement digitally signed by the borrower within three (3) banking days from the day the bank sent the digitally signed agreement to the borrower. If the agreement is signed digitally by using the DigiDoc portal (https://digidoc.sk.ee), the agreement shall become effective provided that the borrower has signed the agreement within 3 (three) banking days from the date the bank uploaded the digitally signed agreement to the DigiDoc portal. The agreement shall remain effective until all the borrower's contractual liabilities, accounted default interests and unpaid payments have been fully paid to the bank. The parties have agreed that the agreement conditions set by the bank can be amended through the bank's Internet Bank.

BORROWER'S CONFIRMATIONS
The borrower confirms that:
- He/she knows the objective of the loan and his/her financial condition and that he/she have presented to the bank correct, relevant and adequate information about his/her interests, needs and financial condition (regular income, financial liabilities, regular costs, etc.) and the processing thereof has taken place with his/her consent.
- At the time of signing the agreement, the borrower’s permanent or principal place of residence is in Estonia and he/she agrees to the application of the acts of law of the Republic of Estonia to the relationship arising from this agreement and the settlement of relevant disputes in Estonian courts. The parties have agreed that if the borrower moves to a foreign country following the entry into this agreement or if the borrower’s place of residence is not known at the time an action is filed, all disputes arising from the agreement shall be solved in Estonian courts.
- He/she have read through the agreement and the standard conditions and obtained detailed information on the agreement and the standard conditions and the rights and obligations arising
therefrom and have fully understood and consent to them. The borrower also confirms that he/she have received a copy of the Standard European Consumer Credit Information Sheet and additional pre-contractual information on small financing products, which is also available on the bank’s website at www.swedbank.ee, and have fully understood the contents of the aforementioned documents. The borrower confirms that the bank has provided him/her with sufficient information and he/she have understood the risks associated with the entry into the agreement.