

## GENERAL CREDIT TERMS AND CONDITIONS

### Clause 1: Introduction

1. Overdrafts, credit facilities, loans, bank guarantees, completion bonds, cash facilities and other advances of any kind granted or to be granted (hereinafter “the credit”) by the cooperative company Banque Raiffeisen, hereinafter referred to as “the Credit institution”, to its clients shall be governed by these general credit terms and conditions, hereinafter referred to as “general terms and conditions” and the special agreements that may be entered into between the Credit institution and the client and which shall if applicable take precedence over any provision to the contrary. The credit shall also be governed by the General Terms and Conditions of the Credit institution and, where applicable, by the provisions of the notarised credit opening document, which the lendee acknowledges having read and all clauses and conditions of which it has accepted.
2. When applying for credit, the client is required to provide the Credit institution with all the information (concerning his or her needs, financial situation and preferences) needed to assess his or her creditworthiness. The client agrees to provide information that is accurate and as complete as necessary to ensure an appropriate assessment of his or her creditworthiness. In the event that the information provided is incomplete, the Credit institution may request further details on the information received. If it is not possible to perform a credit assessment, credit cannot be granted to the client. If information has been knowingly concealed or falsified, the Credit institution reserves the right to refuse or to terminate a credit agreement.  

Furthermore, if the Credit institution approves the credit on the basis of that information and the resulting credit assessment, the final conclusion of the credit agreement, could, in some cases, cause specific risks the client’s financial situation.
3. The credit is formed by the lendee’s endorsement duly placed on the credit agreement.
4. The Credit institution may amend these general terms and conditions at any time to take account of any legislative or regulatory changes, as well as standard industry practices and market conditions.  

Notification of such amendments may be made by post, on account statements, on the website or by any other means of communication as the Credit institution may choose, and such amendments shall be accepted by clients unless they register an objection within thirty days of the issue of the letter or notice.
5. The Credit institution may, at any time, in whole or in part, assign any amounts owed to it by the lendee to third parties. Any assignment will be notified to the lendee in the manner required by law.  

Furthermore, mortgage-backed securities can be used by the Credit institution, if need be, as security for the issuance of covered bonds.
6. For the purposes hereof, client(s) receiving one or more loans shall be referred to as “the lendee”.

### Clause 2: Granting of the credit

The Credit institution reserves the right to suspend the granting of the credit until:

The applicant(s) of a credit agreement has/have been definitively accepted in accordance with the usual commercial practices and the legislation in force as client(s) by the Credit institution,

The lendee has provided the Credit institution with evidence of the fulfilment of the obligations towards the Credit institution agreed to by the lendee as stipulated in the correspondence exchanged and specifically:

- The completion of formalities rendering valid between the parties and enforceable against third parties, the guarantees and security established or to be established and/or;

- The effective registration of mortgages to be concluded with the ranking agreed upon by the parties.

The Credit institution may offset against the credit granted all sums that the lendee owes or may owe to it as a result of commitments made prior to the date that the credit is granted.

The credit may be granted through the transactions specified or to be specified in correspondence between the parties and, in the event that the correspondence is silent, by any bank transactions carried out or to be carried out by the lendee or on the lendee's behalf, including namely the advance of funds in a current account or otherwise, the discounting, endorsement or acceptance of commercial paper (drafts, cheques, promissory notes, warrants etc.), the issuance of letters of credit, the guarantee, *del credere* commission or bond provided by the lendee to the Credit institution on behalf of third parties or provided by the Credit institution to third parties on behalf of the lendee, the overdraft or an ordinary or documentary credit facility.

This list should be considered indicative and is not exhaustive.

If the Credit institution sells the lendee commercial paper at a discount, or if it grants the lendee security or guarantees, the Credit institution shall be authorised to reserve for this purpose a portion of the credit equivalent to the par value of the paper discounted respectively to the sum secured or guaranteed by the Credit institution, without the need for this to be declared in each particular case.

If the credit ceases for any reason whatsoever, the Credit institution shall be authorised to charge for the amount of all discounted commercial paper, regardless of its maturity, as well as any guarantees or security whatsoever that have not yet given rise to any payment.

The lendee shall not be entitled to invoke the failure to protest upon the maturity of any bill sold or endorsed by it to the Credit institution, or the failure to notify such protests; in general, the lendee shall exempt the Credit institution from complying with the formalities provided for in the Luxembourg Law of 15 December 1962 relating to bills of exchange and promissory notes.

### **Clause 3: Rates, interest, fees and charges**

1. The interest, fees and charges to be paid by the lendee to the Credit institution for the credit granted are determined in the credit agreement as well as the current schedule of fees and charges.
2. The Credit institution shall deduct, at the rate set by it, the usual fees and charges for transactions of any kind carried out at the request and on behalf of the lendee.
3. All charges including registration, filing, stamp, correspondence, appraisal, land and mortgage registry search charges and duties and fees incurred by the Credit institution that may result from the execution of the credit and the guarantees and sureties attached thereto, in respect of the recovery of the amounts owed, shall be borne by the lendee and any third party granting security. The Credit institution shall be authorised to charge these fees to an account of the lendee if a statement is sent to it.

The Credit institution shall be authorised to pay the above charges and fees in advance, if it sees fit, and to debit them from an account held with it by the lendee. Interest on said charges shall automatically accrue from the day on which they are incurred.

4. Unless otherwise expressly provided for in the credit agreement, interest shall accrue quarterly on 31 March, 30 June, 30 September and 31 December of each year for current account overdrafts or credit facilities. In the case of loan agreements, it shall be determined on the last business day of each period with a value date prior to the last business day of the period.

Interest not paid on the due date will be added to the principal and will automatically and without formal notice bear interest at the same rate as the principal.

In addition, unauthorised current account overdrafts or credit facilities resulting either from the capitalisation of debit balance interest or from a transaction initiated by the client shall be, without formal notice, liable to:

- debit balance interest set by the Credit institution on the basis of current market conditions by applying a margin of no more than 10 percentage points to interbank rates, and which it is agreed may be adjusted in accordance with general fluctuations in interest rates;
- an overdraft fee calculated *pro rata temporis* on the balance exceeding the previously authorised overdraft or credit limit. This provision shall not be deemed an authorisation for the holder of an account or for the co-holder of a group or joint account to overdraw their account.

The lendee hereby authorises the Credit institution to regularly debit the agreed periodic repayments from its specified current account.

5. The Credit institution shall at all times be entitled to amend the interest terms, the repayment terms, the charges and fees as well as the terms and conditions of the aforementioned credit, by notifying the lendee in accordance with the second paragraph of Clause 1(4).

Where the lendee is a consumer client as defined in the provisions relating to consumer credit agreements set out in the Consumer Code (*Code de la consommation*), it shall be notified of such amendments before the respective amendments enter into force in accordance with the second paragraph of Clause 1(4).

In the context of a property loan agreement that falls within the scope of the provisions of the Consumer Code, the Credit institution shall inform the lendee of any change in the interest rate on debit balances in accordance with the second paragraph of Article 1(4) before it takes effect and shall indicate the amount of the payments to be made following such change and specify whether the number and frequency of payments will change.

In relation to loans granted to business clients, and unless expressly provided otherwise in the applicable credit documentation, where the interest rate applied is based on an external benchmark plus the Credit institution's margin, it is understood that such interest rate may not, in any circumstances, be less than the margin.

The Credit institution, acting in good faith and in compliance with applicable laws and regulations, in the event that (I) the benchmark is replaced by an index of the same or equivalent nature, or (II) the applied benchmark is discontinued or is not published, shall apply:

- the replacement index specified by the administrator of the index in question, or
- the index specified by the central bank or the regulatory authority responsible for supervising the index in question, or
- the index imposed by law, where applicable, or
- an index that it will select in good faith, in line with market practices and appropriate to the circumstances, or
- a variable interest rate.

The new rate shall apply automatically once it has been notified by the Credit institution in writing in accordance with the second paragraph of Clause 1(4).

6. On maturity of the credit, the sums owed by the lendee shall automatically continue to bear interest, fees and charges until they are fully repaid. The balance of the credit will be subject to the prevailing interest rate plus a supplement of a maximum of five percentage points.

#### **Clause 4: Claims and allocation of sums**

The lendee's situation vis-à-vis the Credit institution shall be duly recorded in the Credit institution's books, correspondence and receipts. Any claim relating to account statements must be submitted no later than thirty days after the statements are issued. In the absence of a claim within this period, the statements shall be acknowledged to be accurate and approved.

The Credit institution reserves the right to allocate all or part of any sum received in favour of the lendee and the guarantor(s) to any amount owed to it or that may subsequently be owed to it for any reason whatsoever by the lendee and the guarantor(s), including in the event that the principal stipulates a specific allocation.

## Clause 5: Suspension and termination

The Credit institution may suspend the use of the credit, in whole or in part, at any time. Suspension of the use of the credit, which must be by registered letter, shall result in any sums that the lendee has not yet drawn from the credit being unavailable for the duration of the suspension and from the time the registered letter is sent. Despite the suspension, interest, fees and charges will continue to accrue on the portion of the credit used.

The Credit institution and the lendee shall have the right to terminate the credit, in full, by giving one month's notice by registered letter; the balance of the credit shall be payable automatically and without further notice at the end of said period.

Notwithstanding the notice period stipulated above, the Credit institution shall have the right to terminate the credit without notice or formality and to demand full and immediate repayment in the event of the following:

- the lendee fails to fulfil the obligations of the credit agreement or these general terms and conditions or the lendee breaches any of the terms of the credit agreement or these general terms and conditions;
- the Credit institution terminates another credit held by the lendee with the Credit institution;
- proceedings are brought by third parties against the lendee or the grantor of security securing the credit, a protest is made against the lendee, and, in general, any acts, facts or events that might call into question the creditworthiness of the lendee, his or her spouse (if there is no legal separation) or any person who has provided a personal guarantee as security for the lendee's commitments, such as, for example, an application for composition, placing under controlled management, attachments made against the lendee, over-indebtedness, insolvency, liquidation, deferral of payment, summons to pay or bankruptcy, or in the event of a claim for assets held by the Credit institution on behalf of the lendee or his or her spouse (if there is no legal separation);
- credits are suspended or become payable to another financial institution or if the relationship of trust is seriously compromised;
- the cessation of or significant change in the current business activities of the lendee or the third-party granting collateral;
- a reduction, to be assessed solely by the Credit institution, of the value of the security of any kind provided to the Credit institution, and in particular that of the mortgaged property through the transfer of ownership, sharing or gift, or in the event of the establishment of an antichresis right or the conclusion of a lease with a term of more than nine years;
- the lendee or third-party grantor of a real security right failures to insure for their full value their buildings, tools, goods (used as collateral), against all risks of theft, fire and water damage;
- all cases provided for by law and in particular by Articles 1188 and 2131 of the Civil Code (*Code civil*);
- the lendee has provided the Credit institution with inaccurate information about its financial situation in its credit application;
- any investigative or freezing measure is served by a national or foreign authority against the lendee;
- any of the lendee's partners, where the lendee is a legal entity, are no longer part of the company, for any reason whatsoever or in the event of a fundamental change in the ownership of the lendee, where the lendee is a legal entity, or in the event of the dissolution or conversion of the legal entity;
- the death or dissolution of the lendee.

The parties agree that the right of termination, which the Credit institution is recognised to have, is an essential condition of their contract, without which the credit would not have been granted and from which there is no possibility of derogation.

In the event that an overdraft or credit facility is terminated by the lendee or the overdraft or credit facility is not renewed, the debit balance interest rate shall be increased to the rate that applies to a standard current account.

In the event that the Credit institution terminates the credit for any of the reasons listed above (with the exception of the death of the lendee), and in the absence of immediate payment of the amounts due, the balance of the credit will be subject to the prevailing interest rate, increased by 2% and, in addition, damages will be payable, fixed at ten percent of the outstanding amount, with a minimum amount of EUR 300, which may be debited from a current account held by the lendee.

**Clause 6: Suspension of repayment of a credit**

The Credit institution may in general grant the lendee, upon the lendee's request, a suspension of the repayment of the credit and in particular, during his or her parental leave, of the property loan taken out for personal housing purposes.

The conditions for granting this suspension and the details of its operation are set by the Credit institution according to the particular circumstances of the lendee. If the lendee is unable to meet the conditions set by the Credit institution, the Credit institution reserves the right to refuse the suspension of repayment.

Suspension of repayment may incur costs (renewal of a mortgage registration, administrative fees, notification of guarantors, etc.) that may be charged to the lendee.

**Clause 7: Joint and several liability**

If a credit is granted to several separate natural persons, the co-debtors jointly and severally undertake to fulfil all of their obligations arising from said credit. Joint and several liability shall also exist between all the heirs and successors of the co-debtor(s) in accordance with Article 1221 of the Civil Code.

All payments made by one or more co-debtors or co-obligees shall be deemed to have been made in the name of and in discharge of the lendee and each of the co-debtors or co-obligees hereby waives the right to avail him or herself of any statutory subrogation that may result from their payments, except with the written consent of the Credit institution.

**Clause 8: Assignment of receivables and direct debit of salary, wages or remuneration in general of any kind, etc.**

As security for the repayment of the sum payable to the Credit institution, in principal, interest and charges, the lendee agrees to assign to the Credit institution, which accepts, the rents, lease payments, trade receivables, bonuses, premiums and sums in general of any kind that may be owed to it, in any respect whatsoever and that any creditor owes to it now or in the future, and that any debtor shall be required to withhold upon ordinary notification under the assignment.

The lendee also agrees to require his or her current and future employers to transfer his or her salary, wages or remuneration in general of any kind to a current account held with the Credit institution and to process most of his or her financial transactions through the Credit institution until the credit granted is repaid. The lendee may not, without the express agreement of the Credit institution, take out loans with other creditors or act as guarantor for third parties.

**Clause 9: Commitments of the lendee acting as a trader**

In the event that the lendee acts as a trader, it undertakes:

- to process most of its financial operations through the Credit institution for the duration of the credit period;
- not to sell or mortgage its property assets without the prior written authorisation of the Credit institution;
- to submit to the Credit institution by 30 June of each year its year-end balance sheet for the previous year. The Credit institution shall treat this document as strictly confidential.

**Clause 10: Pledge**

All stocks and securities belonging to the lendee that the Credit institution holds now or in the future in its own coffers or that are deposited with its correspondents shall be used, independently of the security granted herein, as collateral up to the amount due under the credit, in accordance with Articles 110 to 119 of the Commercial Code (*Code de commerce*) relating to commercial collateral and the Law of 5 August 2005 on financial guarantee contracts. The same shall apply to all funds held in accounts specifically opened for this purpose, relating to a building development for which the Credit institution has issued a completion bond in accordance with the provisions of section 2(f) of Article 1601-5 of the Civil Code on behalf of the lendee.

**Clause 11: Security interests and guarantees**

The Credit institution expressly reserves in its favour, without novation or derogation, all security interests, guarantees, deposits, *del credere* commission and endorsements whatsoever that may have been provided to it by the lendee or by the guarantors or that may be provided to it in the future to secure its dealings and transactions with the lendee. The lendee notes that the Credit institution has a duty under over-indebtedness legislation to inform guarantor(s) who are natural person(s) annually of changes in the amount of the secured debt and ancillary sums (in the form of a copy of an account statement or any other form of document) and agrees that any related costs shall be debited from one of the lendee's accounts held with the Credit institution.

In addition, the lendee authorises the Credit institution, if it deems to fit, to regularly communicate (in the form of a copy of an account statement or any other form of document) changes in the amount of the secured debt and ancillary sums to any guarantors that are legal entities without the latter being able to rely on the absence of such information to avoid their obligations and to debit any related costs from one of its accounts held with the Credit institution.

**Clause 12: Supervisory authority**

The Credit institution is a credit institution authorised and supervised by the Commission de Surveillance du Secteur Financier (CSSF) located at 283, route d'Arlon, L-1150 Luxembourg.

**Clause 13: Exercise of rights**

The failure of the Credit institution to exercise a right or a delay in exercising it shall in no case be considered a waiver of such right, and the exercise of a single right or its partial exercise shall not prevent the Credit institution from exercising it again or in the future, or from exercising any other right.

**Clause 14: Governing law, address for service and jurisdiction**

For the interpretation and execution of these presents and all continuations thereof, the parties shall be subject to the applicable Luxembourg laws, and the address for service for the Credit institution shall be its registered office and for the lendee its registered office/home address, or its municipal secretariat if the client is a municipal authority, at which address all acts and deeds shall be validly served. The Credit institution reserves the right to serve such documents at the last address provided by the lendee.

Any dispute concerning this agreement shall be submitted to the courts with jurisdiction for the Credit institution's registered offices. However, the Credit institution reserves the right to derogate from this attribution of jurisdiction if it considers it appropriate.

## **SPECIAL PROVISIONS APPLICABLE TO PAYMENT SERVICES TO CONSUMER CLIENTS**

### **Clause 15:**

The provisions of this section apply to payment services provided in an “in” currency to the Credit institution’s consumer clients, if the other payment service provider is located in a Member State of the European Union or in Iceland, Norway or Liechtenstein, Switzerland, San Marino or Monaco. The provisions of Clauses 1 to 14 shall continue to apply so long as the provisions of this section do not derogate therefrom.

### **Clause 16:**

An overdraft (previously referred to as a credit facility) with a clause providing for automatic renewal upon expiry will continue with the same term as initially provided for unless the Credit institution terminates the overdraft by a writ served by a court officer or by registered letter with 2 months’ notice prior to the overdraft expiry date.

The lendee may terminate the credit at any time, subject to the repayment of any debit balance.

### **Clause 17:**

An interest rate not based on a reference interest rate may be altered to the disadvantage of the lendee by the Credit institution giving two months’ notice thereof by means of a letter or an agreed means of communication.

### **Clause 18:**

Any claim relating to account statements must be submitted within a period of thirteen months from the transaction date. If a claim is not made within that period, the client shall lose his or her rights to any claim that may result from an unauthorised or incorrectly executed payment transaction entered in the said statement.

### **Clause 19:**

The Credit institution may terminate all or part of the overdraft without giving any reasons by informing the lendee either by a writ served by a court officer or by registered letter with two months’ notice.