



GENERAL CONTRACTUAL TERMS
OF
HUNGARIAN EXPORT-IMPORT BANK PUBLIC LIMITED COMPANY
WITH RESPECT TO LENDING

Effective from: 28 July 2017 with respect to contracts concluded after 27 July 2017.

1. CONTENT AND NATURE OF THE GCT, AND THE PUBLICATION AND AMENDMENT THEREOF

1.1 The general contractual terms of Hungarian Export-Import Bank Plc (hereinafter: **Bank**) with respect to lending (hereinafter: **GCT**) define the terms and conditions applicable to the services of the Bank that are aimed at the provision of credit and cash loans.

1.2 Unless the contract set forth in writing between the Client and the Bank provides otherwise – even in the absence of a separate stipulation – the provisions of the Bank’s Business Regulations shall apply to any legal relationship between the Bank and the Client; the content of the legal relationship between the Bank and the Client and the detailed rules governing such relationship, as well as the detailed rules of any legal relationship between the bank and any third party providing security for the Client’s contractual performance shall be determined by these GCT or by the framework contracts or individual contracts. The GCT shall constitute an integral part of contracts for credit and loan transactions (hereinafter: **Contract**) concluded between the Bank and the borrowers (hereinafter: **Client** or **Debtor**), and it shall always prevail, unless the Contract contains a provision to the contrary.

1.3 These GCT are public and may be viewed and consulted by anyone, at the Bank’s premises used for serving Clients, during business hours, and on the Bank’s website (www.exim.hu). Upon separate request, the Bank shall provide the GCT to the Client free of charge.

When entering into a contractual relationship, the Client shall, by signing the Contract, acknowledge and accept the terms specified in the GCT.

The Bank is entitled to amend the GCT unilaterally at any time. After the amendment of the GCT, the Bank shall post the amended GCT at its premises used for serving Clients, as well as on its website.

The Bank

a) shall notify Clients in writing of amendments to the GCT that are unfavourable for Clients 15 (fifteen) calendar days before the amendments is due to take effect;

b) shall notify Clients in writing of amendments to the GCT that do not constitute an unfavourable change for Clients on the bank working day before the amendment is due to take effect by posting the amended GCT at its premises used for serving Clients and on the Bank's website.

Unless the Client raises an objection in writing to the GCT containing an amendment which is unfavourable for the Client before they take effect, the new GCT shall be deemed to have been accepted by the Client. If the Client objects to the planned amendment in writing, the Bank is entitled to terminate the contract concluded with the Client in accordance with the provisions of the contract, and in the absence of a contractual provision to the contrary, with a notice period of fifteen (15) calendar days. In this case, the Client shall settle all of his liabilities to the Bank without delay.

The amendment of the GCT shall, starting from its effective date, apply also to contracts that were concluded prior to such effective date.

1.4 The Bank is entitled to review the conditions of the financial service that it provides, as well as other contractual terms, and to amend the GCT unfavourably for the Client in the following cases:

- a) a change in the law or in a central bank provision that relates to or affects the Bank's activity or operating conditions, or in other regulations that are binding on the Bank,
- b) a change in the opportunities for procuring funds in the money market, a change in the cost of funds, thus especially a change in Hungary's credit rating, a change in the country's credit default swap (CDS) premium, a change in interbank loan interest rates, a change in the reference interest rate, a change in the consumer price index, inflation, a change in state interest subsidies, a change in the Bank's obligation to pay public dues (e.g. tax), a change in the rules on the setting aside of mandatory reserves,
- c) a change in the assessment of the risk that is associated with the service or the transaction under the Contract, or with the Client (especially with regard to any unfavourable changes that may have occurred in the Client's financial situation), or in the creditworthiness of the Client, or a change in the value, the enforceability or the saleability of any security.

The Bank shall inform the Client about any changes in the terms and conditions in writing and in advance, in accordance with section 1.3. The amendment shall not affect the interest rate or the extent of the fee applicable to the period prior to the date indicated in the notice.

2. PROVISION OF CREDIT AND CASH LOANS

On the basis of Arts. 6:382-6:389 of the Hungarian Civil Code (Ptk.) and Art. 6, paragraph (1) of the Credit Institutions Act (Hpt.), in the Bank's current practice, the provision of credit and cash loans shall mean:

2.1 Credit provision: a commitment to keep available to the Debtor a specified credit (line), against a fee, to the debit of which the Bank provides a loan or performs some other credit transaction, subject to the fulfilment of certain specified contractual terms.

As part of this activity, the Bank may also provide an interest equalisation loan, in accordance with the rules established by Government Decree 85/1998 (V. 6.) (hereinafter: **Govt. Decree**) on the Interest Equalisation System of the Hungarian Export-Import Bank Limited.

2.2 Provision of a cash loan (loan): the provision of a certain amount of cash against interest, which the Client shall be obliged to repay at the repayment date specified in the contract.

3. THE LOAN APPLICATION

3.1 The Client shall, in the loan application submitted in the format specified by the Bank, provide the Bank with appropriate information regarding its legal, financial and economic status, including any rights or obligations burdening its assets or any components of its assets, the conditions of the transaction constituting the basis for financing as well as the purpose, the requested extent and the term of the financing.

3.2 The Bank shall evaluate the loan application submitted by the Client within a reasonable time, and it shall notify the Client about the outcome of the evaluation in writing, and if an offer is sent to the Client further to a positive decision, the amendment of any provision or condition contained in the offer is possible subject to the approval of the Bank's competent decision-making body. If the relevant corporate body of the Bank makes a positive decision in this respect, the Bank shall conclude a contract with the Client, setting down the individual terms and conditions of the transaction concerned.

4. CONDITIONS FOR CONTRACT CONCLUSION

In order for the Contract to be concluded, the Client must fulfil the following conditions:

- (i) Signing of the identification form with the Client's official corporate signature, and submission of the original copy thereof to the Bank,
- (ii) Signing of the declaration of beneficial ownership with the Client's official corporate signature, and submission of the original copy thereof to the Bank,
- (iii) Signing of the anti-corruption declaration with the Client's official corporate signature, and submission of the original copy thereof to the Bank;
- (iv) Signing of a declaration on the possible existence of a business relationship with a person, organisation or other entity that is under sanctions, with the Client's official corporate signature and submission of the original copy thereof to the Bank;
- (v) Signing of the KYC (Know Your Customer) questionnaire with the Client's official corporate signature, and submission of the original copy thereof to the Bank;
- (vi) Providing the Bank with the original copy of the "declaration on legitimacy of source" signed with the official corporate signature/in front of witnesses by the Client and, in certain cases, by the *Surety/*Mortgagor/*Collateral Provider,
- (vii) A certificate (comprehensive tax certificate) issued by the tax authority (NAV), not older than 30 (thirty) days, confirming that the Client has no overdue tax or customs duty debts, or a certificate of this fact obtained from another public NAV register.

5. THE LOAN

5.1. CREDIT AVAILABILITY COMMITMENT

5.1 The Bank shall keep the credit (limit) available for the Debtor in the amount and for the period specified in the Contract.

5.2 The Bank shall disburse a loan, or shall perform any other credit transaction defined in the Contract, to the debit of the credit (limit). The amount of the available credit (limit) is reduced by the disbursed loans.

5.3 If, based on a provision of the Contract, the credit limit is of a revolving type, then the credit limit shall be repeatedly replenished by the loan amount repaid by the Debtor to the Bank; otherwise, the amount of the credit limit is not increased by the amounts repaid by the Debtor.

5.4 After the expiry of the commitment period, the Bank shall not disburse any loans to the debit of the credit (limit).

5.2. Preconditions of disbursement

5.2.1. The Bank shall, within the commitment period and to the extent of the available loan amount, disburse to the Debtor a loan to the debit of the credit (limit), provided that the conditions defined in the Contract and in the following are met and, if the Contract specifically requires such, the Debtor submits a disbursement request of the requisite content and form to the Bank.

5.2.2. The Bank shall disburse a loan to the Debtor if the following conditions are met:

- (1) the declarations made by the [Debtor]/[or by the persons providing the security] are true;
- (2) there has been no breach of contract or any such circumstance as gives the Bank grounds for exercising its right to termination or for refusing to execute the disbursement;
- (3) the Contract and the loan securities stipulated in the Contract have been established and still exist according to the applicable contracts and – if relevant – on the records of the public registers (or, if the Bank agreed to this, have been registered at least as margin notes) and [the Debtor]/[or the party providing the given security] has fulfilled its obligations related to these matters;
- (4) if any of the security interests under the Contract require registration in the Loan Securities Register, the [Debtor]/[or the person providing the security] shall certify with appropriate documents that they are appropriately registered in the Loan Securities Register, and shall provide the data pertaining to the registered user and required by the Bank;
- (5) the Debtor has presented or submitted to the Bank the following documents:
 - (i) the original copy of the deed of foundation of the [Debtor]/[, and of the persons providing the security], or a duplicate copy thereof, in addition to presentation of the original;
 - (ii) original specimen signatures, or sample signatures endorsed by a lawyer, of the persons entitled to make a statement in relation to the Contract or the security contracts;

- (iii) the original and authenticated (i.e. issued by a company court or a notary public) certificate of incorporation of the [Debtor]/[and of the persons providing the security] (in the case of a foreign Debtor or security provider, a duly counter-authenticated public deed evidencing the existence and representation of the Debtor or of the person providing the security, not older than 30 days, or a duplicate copy thereof alongside presentation of the original copy (in the case of sole traders, an official certificate issued by the competent authority on the “certification of data held in the register of sole traders”);
 - (iv) the [Debtor]/[, or the person providing the security] has no overdue debts in the records of the Central Credit Information System (in Hungarian: KHR).
- (6) The Debtor has no overdue debts to the Bank.
 - (7) The amount of the loan requested to be disbursed does not exceed, together with the sum of any loans that have already been disbursed under the Contract, the amount of the available credit (limit).
 - (8) The Debtor’s assets are not burdened by any such right or obligation about which the Debtor failed to inform the Bank.
 - (9) The causes for exclusion set out in the Bank’s Business Regulations do not apply to the Debtor.
 - (10) The Debtor has provided the Bank with the resolution of the supreme body of the Debtor or of the persons providing security (if this is required by their deed of foundation) that authorises the Debtor or the representative (proxy) acting on his behalf to conclude the credit contract / loan contract concerned and the relevant loan security contracts, and that the person(s) providing the security may conclude, or the given representative (proxy), may conclude on his (their) behalf, the relevant security contracts, as well as the original copy of the document attesting to this fact.

5.2.3. If the Contract stipulates, as an additional condition, the making of a declaration in relation to acts of bribery and corruption, acts of corruption shall be understood to include the following:

- 1.) certain crimes against public justice and crimes against international justice as defined in Act IV of 1978 on the Criminal Code (hereinafter: the “**Former Btk.**”) (sections VII and VIII), that is,
 - bribery (Former Btk. Art. 250-255/A),
 - influence peddling (Former Btk. Art. 256),
 - bribery in international relations (Former Btk. Art. 258/B-258/D), and
 - abuse of a function and indirect bribery in international relations (Former Btk. Art. 258/E),
 as well as forgery of public documents and forgery of private documents in connection with the above (Former Btk. Art. 274-276), and
- 2.) certain criminal acts of corruption as defined in Act C of 2012 on the Criminal Code (hereinafter: the “**Btk.**”) (chapter XXVII), that is,
 - active corruption (Btk. Art. 290),
 - passive corruption (Btk. Art. 291)
 - active corruption of public officials (Btk. Art. 293),
 - passive corruption of official bribery (Btk. Art. 294),

- active corruption in court or regulatory proceedings (Btk. Art. 295),
- passive corruption in court or regulatory proceedings (Btk. Art. 296),
- misprision of bribery (Btk. Art. 297),
- indirect corruption (Btk. Art. 298),
- abuse of a function (Btk. Art. 299-300),

as well as any related forgery of administrative documents (Btk. Art. 342) and use of forged private documents (Btk. Art. 345) and criminal offenses of authentic instruments (Btk. Art. 346).

5.3 Disbursement of the loan

5.3.1. The drawdown of the loan is executed in accordance with the provisions of the concluded Contract.

5.3.2. The Bank disburses the loan in the currency of the credit (limit).

5.3.4 If the loan is not disbursed in the currency of the credit (limit), the Debtor authorises the Bank to execute the conversion, in the course of which the Bank shall apply the exchange rate quoted by it on the day of disbursement. If the credit facility is specified in forint (HUF) and the loan is drawn down in another currency, the sell rate of the given foreign currency quoted by the Bank is applied, whereas if the credit facility is specified in a currency other than forint and the loan is drawn down in forint (HUF), the purchase rate of the currency of the credit facility quoted by the Bank is applied. If the currency of the credit facility is the same as the currency of the disbursed loan but the currency of the amount indicated in the drawdown request is different from both, then, for the purpose of the necessary technical conversion, the Bank applies the mid rate quoted by it.

5.3.5 The Bank may only refuse disbursement of the loan amount, and the Debtor may only refuse acceptance of the same – prior to the cessation of the possibility of use – if such significant change occurs in either the Bank’s or the Debtor’s circumstances as means that the performance of the Contract can no longer be expected, or if, after the execution of this Contract, such circumstances occur that would cause the Bank to exercise its right to termination with immediate effect specified in section 10.1.

5.4 Repayment of the loan

5.4.1 Debtor shall repay the full amount of the loan, as well as the interest on it and any incidental costs, within the deadline(s) or by the due date(s) specified in the Contract. The date of performance by the Client shall be the date on which the amount has been credited to the bank account specified by the Bank.

5.4.2 The Bank shall notify the Debtor about its obligation to pay the due principal, interest and other fees 5 banking days prior to the related due date, in writing, although the existence, the amount and the due date of such payment obligation shall not depend on the notification being made, that is, a failure of notification shall have no bearing on the Debtor’s repayment obligation.

5.4.3 The repayment of the loan shall be executed in the currency of the credit (limit). If the loan is not repaid in the currency of the Contract, the Debtor authorises the Bank to

execute the conversion, in the course of which the exchange rate quoted by the Bank with respect to the day of conversion shall be applied. If the credit facility is specified in forint and the loan is repaid in another currency, the purchase rate of the given foreign currency quoted by the Bank is applied, whereas if the credit facility is specified in a currency other than forint and the loan is repaid in forint, the sell rate of the currency of the credit facility quoted by the Bank is applied.

5.4.4 The final date of maturity of the loan is determined in the Contract. After this date the Bank shall not disburse any loan to the charge of the credit, and up to this date the Debtor shall be obliged to repay/pay to the Bank all the loans disbursed to it, together with the related interest and other sums due to the Bank in relation to this Contract.

5.5 Obligatory prepayment

5.5.1 The Debtor shall, if the maintenance of the loan would result in a violation of the law due to a change in legislation, prepay the loan, immediately upon the Bank's request.

5.5.2 If the Contract stipulates that, due to any circumstance that has occurred during its term, the amount of the disbursed loan may not exceed the extent stipulated in the Contract, the Debtor shall prepay its loan debt in such extent that the amount of the remaining loan debt does not exceed the ratio stipulated in the Contract.

5.6 Voluntary prepayment

5.6.1 If the Debtor wishes to repay its debt prior to the due date, it shall notify the Bank about such prepayment in writing, at least 5 bank working days in advance.

5.6.2 The notice of prepayment must specify the amount and the date of the repayment.

5.6.3 As a result of the prepayment, the due date of the payment obligation shall be modified in accordance with the contents of the prepayment notice. If the full loan amount is prepaid, then, simultaneously with the amount to be prepaid, the related interest shall also become due for payment.

5.6.4 In the case of partial prepayment, the prepaid amount shall decrease the Debtor's outstanding debt in the original order of the repayment instalments defined in the Contract, and the prepaid amount may not be used again.

5.6.5 If the day of prepayment is not the same as the end of the interest period, a breakage fee is charged, in compliance with international credit market standards.

6. INTEREST, FEES, COSTS AND TAXES

6.1 Interest

6.1.1 The Debtor shall pay interest on the amount of the loan, from the value date of the disbursement up to the day of repayment.

6.1.2 The interest rate is equal to the sum of the reference rate (LIBOR/EURIBOR/BUBOR/CIRR/EU Reference Base Rate) and the interest premium specified in the Contract. The interest premium is fixed.

6.1.3 The annual percentage rate of the reference rate is fixed for the period specified in the Contract (interest period). The first interest period starts on the day of the first disbursement, and all the subsequent interest periods start on the last day of the previous interest period; each interest period ends on such day which in the given month corresponds to the starting date, or, if there is no such day, then on the last day of the month. If the final due date of a loan does not fall on an interest payment day for any reason, the last day of interest payment shall be the same as the final maturity date of the loan. No interest is calculated for the last day of the interest period.

6.1.4 The abbreviations used in determining the reference rate shall have the following meanings:

LIBOR (London Interbank Offered Rate): the annual percentage rate applicable on the London interbank market to the currency of the loan, with respect to the interest period applicable based on the Contract.

EURIBOR (Euro Interbank Offered Rate): the interest rate applicable on the Frankfurt interbank market to euro, with respect to the interest period applicable based on the Contract.

BUBOR (Budapest HUF Interbank Offered Rate): the interest rate fixed by the National Bank of Hungary for the interest period applicable based on the Contract.

In the case of an interest equalisation loan: CIRR the CIRR interest rate determined in the OECD Agreement, valid at the time of conclusion of the Contract for the currency of the credit, which is published by the OECD Secretariat, and remains fixed during the entire financing period.

EU Reference Base Rate is the base rate published and updated at regular intervals by the European Commission on the http://ec.europa.eu/competition/state_aid/legislation/reference_rates.html website.

6.1.5 In determining the above interest rates, the rate indicated on the appropriate page of the Reuters monitor shall be primarily applied. If this service is not available on that specific page, the Bank shall designate another page or service that indicates the appropriate interest rate.

6.1.6 The amount of the interest shall be determined by applying the following formula:

$$\text{Kamat} = \frac{\text{kamatmérték (\%)} \times \text{tőke összege} \times \text{naptári napok száma}}{36000}$$

The interest is calculated assuming 365/360 days.

6.1.7 Interest is payable in the currency of the loan debt. If the interest is not paid in the currency of the Contract, the Debtor authorises the Bank to execute the conversion, in the course of which the exchange rate quoted by the Bank with respect to the day of conversion shall be applied.

6.1.8 Payment of the interest is due after disbursement, at a frequency corresponding to the interest period defined in the Contract, and simultaneously with the last repayment instalment.

6.2 Default interest and flat-rate collection charge

The Debtor shall pay default interest on the overdue debt, starting from the due date until the day of actual payment, in addition to the interest specified in the Contract, in the extent specified in the Contract.

In the event of late payment by the Debtor, or any entity classified as an undertaking establishing a security interest in the Bank's favour, it shall pay the equivalent in forint of forty euros (EUR 40), converted at the official middle exchange rate published by the National Bank of Hungary on the due date, to the Bank.

6.3 Costs

6.1.3 The Debtor shall bear all the costs incurred in relation to the execution and enforcement of the Contract.

6.3.2 The Debtor shall bear all the costs incurred in relation to the maintenance and verification of the loan securities stipulated in the Contract.

6.3.3 The Debtor shall, within three banking days from the date of the Bank's written demand, pay the Bank any – newly arising or increased – costs incurred due to compliance with a legal provision enforced or amended after the execution of the Contract (including any amendments in the interpretation or application of such legal provision and the related administrative procedure) in relation to the Contract.

6.3.4 The Debtor shall bear all the exchange rate risks, of whatever kind or nature, related to the foreign-currency loan regulated in the Contract. By signing the Contract, the Debtor acknowledges that it is aware of the exchange rate risk and accepts all risks stemming therefrom with respect to itself.

6.3.5 In the case of prepayment, the Debtor shall, at the Bank's request, reimburse the Bank for any breakage cost and loss incurred by the Bank as a consequence of the prepayment, including any certified cost of the Bank incurred in relation to the replacement of its fixed cash revenue interrupted by the prepayment.

6.3.6 Debtor understands that if a transaction involved in the interest equalisation system no longer complies with the terms set out in the Govt. Decree, then the Debtor shall, at the Bank's request, also reimburse the Bank, in addition to the breakage cost and loss mentioned in section 6.4.5, for any incurred and certified costs that cannot be charged, in relation to the given transaction and in the given calendar quarter, to the budget.

6.4 Fees and commissions

6.4.1 Commitment fee

The commission calculated as a ratio of the available but not-yet-drawn-down credit limit, the amount of which is paid in arrears, during the commitment period, at the intervals or date(s) specified in the Contract. The Debtor shall, with respect to the credit limit made available to it, pay a commitment fee in the extent specified in the Contract, which is calculated by applying the following formula:

$\frac{\text{annual \% of the commitment fee} \times \text{the amount made available} \times \text{the number of calendar days.}}{36,000}$
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The commitment fee shall be due as from the initial day of commitment, at the frequency specified in the Contract, in arrears, as well as on the last day of the commitment, and it shall be payable in the currency of the available credit limit.

6.4.2 One-off fee

The fee payable from the amount of the first loan to be disbursed, but not later than within 30 days from contract conclusion, the extent of which is to be established on the basis of the full amount of the contracted credit (limit).

6.4.3 Procedural fees

The Debtor shall, in addition to those specified in the Contract, also pay the fee for any banking operations related to the performance, amendment and termination of the Contract.

6.4.4 Prolongation fee

In relation to the prolongation (extension of the term) of the credit transaction, the Client shall, with respect to the rescheduled loan amount, pay the Bank a one-off *prolongation fee* specified in the Contract, and it shall submit the related rescheduling application at least 30 bank working days prior to the maturity of the loan (including the partial maturity of the loan).

6.4.5 Breakage fee:

(a) in the case of non interest-equalised loans: In the case of prepayment on a non-interest-payment day, a breakage fee shall be charged, which shall be the difference between the interest due under the credit contract from the first bank working day following the prepayment until the end of the given interest period, and the interest attainable on the market through the placing of the prepaid amount up to the end of the interest period.

(b) in the case of interest-equalised loans: In the case of prepayment on a non-interest-payment day, a breakage fee shall be charged, which shall be the difference between the base cost due under the Interest Equalisation Decree from the first bank working day following the prepayment until the end of the given interest period, and the interest attainable on the market through the placing of the prepaid amount up to the end of the interest period.

6.4.6 Monitoring fee

The one-off or annual fee payable during the term of the loan, which is the fee for monitoring the loan debtor's business activity and solvency and the performance of the underlying contract.

6.5 Tax

All considerations payable by the Debtor under the Contract are to be understood as exclusive of VAT. If any of the services provided by the Bank is subject to VAT, the Debtor shall pay such consideration increased by the amount of the VAT.

7. THE SECURITIES

7.1 General obligations

7.1.1 The Debtor, or other person providing security, shall, as security for the fulfilment of the Debtor's obligation to pay the principal debt, interest, fees, charges and all other payables imposed on it under the Contract, provide the Bank – out of the various securities listed in the Business Regulations – with the personal securities (e.g. suretyship, guarantee) and/or physical securities (e.g. pledge, including in particular the pledge established on the financed receivables, collateral deposit) specified in the Contract.

7.1.2 The Debtor, or other person providing security, shall take all necessary measures to ensure that the securities stipulated in the Contract are established, maintained and enforceable, that their value is preserved, and that they are provided to the Bank by the specified deadlines. If the Debtor, or other person providing security, fails to comply with this obligation and thereby prejudices the existence, value and enforceability of the securities, the Bank, or its designated representative, shall be entitled to act directly on the Debtor's behalf and at its expense or to initiate the necessary authority or court proceedings.

7.1.3 The Debtor, or other person providing security, shall use, handle, operate, and appropriately safeguard and maintain the assets constituting the objects of the security in accordance with their intended purpose and in a professional manner, and shall fulfil all its obligations stipulated by law in this respect.

7.1.4 The Debtor, or other person providing security, shall maintain its ownership of the assets serving as the objects of the security; it shall only be entitled to alienate or encumber them subject to the Bank's prior written approval.

7.1.5 The Debtor, or other person providing security, shall maintain the claims serving as security in the prescribed extent, ensure that they are enforceable, and shall enforce the claims – when they become due – in such manner that the performance of the payments take place in accordance with the provisions of the related security contracts.

7.1.6 The Debtor, or other person providing security, shall conclude a fully comprehensive ('all-risks') insurance contract with respect to the assets constituting the object of the security, with an insurance company and under terms and conditions acceptable to the Bank, and it shall maintain such insurance until all its obligations arising from the Contract have been performed. In respect of the insurance contract the Debtor, or other person providing security, shall, at the Bank's discretion, either establish in favour of the Bank a mortgage right on the claim outstanding from the insurance company, or assign the claim to the Bank; it shall indicate the Bank as the beneficiary of the insurance policy, and shall inform the Bank of this by presenting the appropriate documents. The Debtor, or other person providing security, shall, within eight days – from the execution of the insurance contract – after the payment of the due premium,

but at least every half-year, prove to the Bank, with a document, that it has paid the insurance premium in an appropriate manner. The Bank may designate a company with the relevant expertise to verify the existence of the insurance policies and the payment of premiums and to define the insurance terms and conditions.

The Debtor, or other person providing security, may not amend or terminate the insurance contract without the Bank's prior written consent. The Bank is entitled to use the insurance amount (indemnity) paid by the insurer to reduce the Debtor's debt even before the due date (maturity) of the claim, if the Debtor fails to replace any lost or destroyed collateral assets. The portion of the indemnity in excess of the Bank's claims shall be due to the Debtor.

7.1.7 The Debtor, or other person providing security, shall, in the event of an increase in the credit risk or a reduction in the value or enforceability of the collateral securities, at the Bank's request, supplement the loan securities at least to the extent deemed necessary in order to ensure the restoration of the coverage ratio existing at the time of contract conclusion. The Debtor, or other person providing security, shall, even in the absence of a separate demand on the part of the Bank, replace any assets that have in the meantime been used up or sold.

7.1.8 The Debtor, or other person providing security, shall immediately inform the Bank of any such circumstances as have a negative impact on the value or enforceability of the securities, as well as of any changes that have occurred in the securities. The Debtor, or other person providing security, shall replace any assets that have been specified by type and quantity but that have in the meantime been used up or sold. The Bank, or an expert commissioned by it, is also entitled to check, on-site, whether the security for the claims is adequate.

7.1.9 If the Debtor does not perform at the due date, the Bank shall be entitled to enforce its right to foreclosure in respect of any security.

7.1.10. The Debtor shall be obliged

- (1) to inform the Bank about all of its payment accounts,
- (2) to notify the Bank, within 3 working days, about the opening of any new payment account or about a change to the number of its payment account,
- (3) at the Bank's discretion, to provide an authorisation to submit an irrevocable collection order in favour of the Bank in respect of any and all of the Debtor's payment accounts, and to submit the statement of the account-managing credit institution evidencing its acknowledgement of this fact, and
- (4) refrain from behaving in a manner that would prevent the Bank, in whatever manner, from exercising its rights granted in the document mentioned above, or that would cause the payment account(s) to be terminated or to become uncollateralised.

7.1.11 By concluding the Contract, the Debtor gives its consent to the effect that the account-managing credit institution(s) may, at the Bank's request, provide general banking information on its accounts, account turnover and solvency.

7.2 Enforcement of loan securities

7.2.1 The Bank may, after its right to foreclosure has become exercisable, in order to enforce its due claim against the Debtor, exercise the rights defined in the individual

security contracts and in the legal rules related to the securities concerned. The Bank is entitled to apply the legal consequences set out in section 10.1 of these GCT if the Debtor fails to meet its obligation to protect the stipulated collateral, to purchase an insurance policy for it and to pay the insurance premiums, to replace the collateral or to provide information regarding material circumstances related to the collateral. All costs incurred in connection with the provision, appraisal, maintenance, handling, insurance and enforcement of the collateral as well as its review by an expert designated by the Bank shall be borne by the Debtor.

If the exercising of a right or the enforcing of a claim in connection with a collateral security falls due during the period that the security is blocked, the Bank shall be entitled to enforce the claim, and thus in particular to redeem any bonds or shares, their interest or dividend coupons and/or mortgage notes, and to enforce any receivables that have been pledged in its favour.

7.2.2 If the receivable is secured by more than one security, all the securities and all the assets pledged as security shall serve as security for the entire claim, and the Bank may, within the possibilities provided by the law, decide at its own discretion whether or not to exercise its right to foreclosure in respect of the loan securities, as well as the order of such foreclosure.

7.2.3 Pledges shall be enforced, at the Bank's discretion, through judicial foreclosure or outside of judicial foreclosure (sale of the pledge by the Bank, in its capacity as the pledgee, acquisition of ownership of the pledge object by the Bank, in its capacity as the pledgee, or enforcement of the pledged right or claim). The enforcement of pledges outside of judicial foreclosure shall take place according to the provisions of the Ptk. The Bank, in its capacity as pledgee, may switch from the chosen method for enforcing its right to foreclosure to another method.

7.2.4 In the case of a security deposit, the Bank may, if so permitted by the nature of the security, satisfy its claim directly from the security, i.e. without selling it.

7.2.5 The Bank shall always settle accounts with the Debtor in a comprehensive manner with regard to the costs and revenues related to the loan securities.

7.2.6 The Bank is entitled to set off its debts to the Debtor against its claims from the Client.

8. REPRESENTATIONS

8.1 The Debtor's warranties

By signing the Contract, the Debtor makes the following representations in favour of the Bank and in order to receive a loan from the Bank, and the Bank provides the loan assuming that the following representations are true: Whenever a Drawdown Request is submitted, it shall be assumed that the Client has repeated the following representations and has declared that these representations are true at the time of the drawdown as well.

8.2 Legal status

The Client is a validly established and registered business entity and it has the appropriate legal capacities to dispose over its assets and to conduct its business activities.

8.3 Rights and authorisations

The Debtor has all the rights and authorisations necessary for concluding the Contract and for performing its obligations arising therefrom.

8.4 Obligations of binding force

The Debtor's obligations assumed under the Contract are lawful, valid, binding, enforceable and executable. The Contract does not run counter to the law, the Debtor's deed of foundation or any agreement that is binding upon it.

8.5 Financial solvency

The Debtor is not insolvent and no bankruptcy, dissolution, liquidation or distraint proceedings are in progress or have been instituted against it, or are otherwise threatening.

8.6 No event of default

None of the events of default specified in section 10 of these GCT or in the Contract are present or threatening or will result from the conclusion of the Contract, the performance of the provisions set out therein, or the use of the loan.

8.7 Information

Unless the Debtor has notified the Bank about any difference in writing:

- (a) the financial report provided by the Debtor to the Bank and all other information provided in relation to the Contract and the related security contracts are true and accurate;
- (b) since the handover of the financial report and other information, no significant adverse changes have occurred to the Debtor's business operation, assets or financial situation;
- (c) since the handover of the information related to the collateral securities offered by the Debtor, no such changes have occurred to the value, marketability or legal status of the security as might have a detrimental impact on the Bank's rights related to the security or on the enforceability of such rights.

8.8 Compliance with the law, no proceedings underway

The Debtor has not committed any violation of the law, and no such court or other proceedings or investigations are in progress against it as would have a detrimental impact on the Bank's ability to fulfil its payment and other obligations set out in the Contract or in these GCT.

8.9 Taxation, lawful use of subsidies

- (a) The Debtor has no overdue tax, customs, social insurance debts or other public debts that may be collected in the same manner as are taxes ("Tax").
- (b) In relation to taxes, no claim validation proceedings have been, or may reasonably be expected to be, instituted against the Debtor.
- (c) The Debtor is solely under the jurisdiction of the Hungarian tax authority.
- (d) If the Debtor has received any grants from the various subsystems of the state administration apparatus, or from EU pre-accession instruments or structural

funds, and it has fulfilled all its obligations undertaken in any subsidy contracts concluded in this respect; the European Committee has no such resolutions stipulating the repayment of a subsidy as would apply to the Debtor, and, to the best of its knowledge, there is no circumstance that would result in the issuing of such resolution.

8.10 Encumbrance and financial debt

- (a) Apart from the security interests established in favour of the Bank and the encumbrances approved by the Bank, there is no mortgage or other security interest on the Debtor's assets.
- (b) Apart from the obligations acknowledged by the Bank during the contract conclusion process or that are expressly approved in the Contract, the Debtor has no debts to any banks or other financial institutions, and it has no other obligations arising from any transactions that, in terms of economic impact, would qualify as credit.

9. OBLIGATIONS

The Debtor – as a condition for the extending of credit, in addition to the provisions of the Contract – undertakes a commitment to comply with the following requirements.

9.1 Compliance with the law and the contract

- (a) The Debtor fully complies with all substantial legal rules applicable to it and with its contractual obligations.
- (b) The Debtor shall, within the stipulated deadline, repay all its due public debts and fulfil all other payment obligations.
- (c) The Debtor shall, without delay, acquire all the permits and authorisations necessary for the performance of its activity and for the fulfilment of its obligations, it shall continually comply with the conditions set out therein, and it shall maintain their effect and validity.

9.2 Regular business activity

- (a) The Debtor shall perform its business activity without any substantial change.
- (b) The Debtor shall use and utilise its assets in accordance with its regular business activity.
- (c) The Debtor shall only establish any business relationships under market conditions and in compliance with the arm's length principles.

9.3 Property insurance

The Debtor shall, to the extent and in the manner customary in the case of companies performing similar business activities, in order to cover any risks related to its business operation, its assets and, in the case of financing of a foreign trade contract, to the goods to be delivered, maintain an insurance policy with a reputable insurance company accepted by the Bank; it shall pay the insurance premiums when due, and shall provide the Bank with evidence of such payment once every half-year, counted from the execution of the insurance contract.

9.4 Use of the credit

The Debtor may use the loan exclusively for the purpose defined in the Contract.

9.5 Indemnification, penalty

9.5.1 The Debtor shall – in addition to any other consequences defined in the Contract, the GCT and the legal provisions – bear full liability for any damages caused to the Bank resulting from the breach by Debtor of its obligations.

9.5.2 In the event that the Debtor fails to fulfil any of its obligations to provide information stipulated in these GCT or the Contract, and it also fails to remedy such default within 15 days of the receipt of the Bank's related reminder, it shall pay the Bank a default penalty in the amount of HUF 100,000 per month (based on 30-day months) per breach of obligation from the expiry of the deadline until the obligation to provide information is fulfilled. The payment of a default penalty does not provide exemption to the Debtor from meeting its obligation to provide information. In addition to the penalty, the Bank may also enforce any damages that it has sustained in excess of the penalty.

9.5.3 If the Debtor breaches its obligation to provide information and/or its cooperation obligation in the course of the loan application assessment or the drafting or signature of the Contract, resulting in a failure to sign the Contract or make the disbursement on the basis thereof, it shall be liable to fully compensate all losses caused to the Bank by the failure of the transaction resulting from the breach of its obligations.

10. EVENTS OF DEFAULT

10.1 Termination

The Bank shall be entitled to terminate the Contract in the following cases:

- (1) the use of the loan for the purpose defined in the Contract is impossible;
- (2) the Debtor uses the loan amount for purposes other than those defined in the Contract;
- (3) the value or enforceability of the security related to the loan declines substantially, and the debtor does not supplement/correct this at the lender's request;
- (4) a material adverse change has occurred in the Debtor's circumstances, and the Debtor fails to provide adequate security despite being requested to do so;
- (5) a deterioration in the Debtor's net worth position, or the occurrence of a significant decline or change in the Debtor's business or financial circumstances, or in its legal status, which prejudices the possibility of repayment of the loan;
- (6) the Debtor has committed a breach of contract;
- (7) the Debtor becomes uncreditworthy;
- (8) based on Article 6:384 ¹of the Hungarian Civil Code (hereinafter: Ptk.), it would be possible to refuse to disburse the amount of the loan;

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Art. 6:384 The lender may refuse to pay the loan amount if, following the conclusion of the contract, a material change occurs in the debtor's circumstances or in the value or the enforceability of the security as a result of which

- (9) the Debtor misled the Bank by stating untrue facts, concealing data or in any other way, if this had an impact on the conclusion or the content of the contract or the determination of the loan amount;
- (10) the Debtor impedes an investigation relating to its insolvency, to the collateral coverage or security of the loan, or in to the implementation of the loan purpose – in spite of a warning – including the case in which it breaches a data-provision obligation undertaken in the Contract or stipulated by law;
- (11) the Debtor falls into arrears in respect of its payment obligation under the Contract and fails to remedy its default despite a request that it do so;
- (12) well-founded suspicion has arisen, in relation to the conclusion of the Contract, that a corruption-like criminal act within the meaning of section 5.2.3 above has been committed, if this results in a criminal procedure. Debtor hereby waives its right to enforce any claims against the Bank in such case where the Bank terminates the Contract with reference to causes defined in this section.
- (13) liquidation, compliance supervisory, declaration of termination or enforcement proceedings have been initiated against the Client.

10.2 All other causes of termination are defined in the Contract.

10.3 Legal consequences of termination

10.3.1 In the case of termination, all of the Debtor's debts to the Bank shall become immediately due and payable in one lump sum, and the Bank shall be entitled to enforce its claim, and to exercise its security rights in the interests of doing so.

10.3.2 If the Bank fails to exercise, partly or in full, its right to termination, this shall not be construed as a waiver of this right, which shall remain in effect even without a separate declaration on the reservation of rights.

11. OTHER TERMS

11.1 Evidence

11.1.1 The Bank's business books shall be the primary basis for determining the Debtor's outstanding debts under the Contract.

11.1.2 The Bank may, in order to provide evidence of its claims outstanding from the Debtor under the Contract, request the preparation of a certificate of the facts comprised in a notarised deed, based on the Debtor's accounts managed at any financial institution and on the Bank's related documentary records, which the Bank may use in possible foreclosure proceedings as well.

the fulfilment of the contract can no longer be expected and the debtor is unable to provide adequate security despite being requested to do so.

11.2 Payments

11.2.1 The Debtor shall repay its debts that exist under the Contract (principal, interest and commissions) when due. If a particular due date is not a banking day, then the next banking day shall be regarded as the due date.

11.2.2 The Debtor shall fulfil its payment obligation by transfer to the Bank's account.

11.2.3 The Debtor's payment obligation shall be considered fulfilled on the value date of crediting on the Bank's account, or, in the case of conversion, at the latest on the 2nd (second) value date after obtaining knowledge of the crediting. If the crediting is executed on the Bank's account with a retrospective value date, then the payment obligation shall be deemed fulfilled on the date of obtaining knowledge of the crediting.

11.3 Legal succession

11.3.1 The Contract shall be binding upon the Parties and their legal successors.

11.3.2 The Debtor may not assign or transfer its rights or obligations under the Contract, any claims arising on the basis of the Contract or its contractual position without the Bank's prior written consent.

11.3.3 The Bank may – without the Debtor's authorisation – assign or transfer its claims and rights arising from the Contract to a third party, or it may encumber them as security, or, for the same purpose, transfer any information (including bank secrets and trade secrets) and documents related to such claim or right to a third party, which transfer of information the Debtor expressly consents to by signing the Contract. By signing the Contract, the Debtor expressly and irrevocably consents to the Bank's assigning its debt and contractual position based on the Contracts to a third party. By signing the Contract, the Debtor expressly consents to the maintenance of the loan securities provided by it in the event of assignment of the contract by the Bank.

11.4 Applicable law, severability, legal disputes

11.4.1 This Contract shall be governed by Hungarian law. With respect to matters not regulated in the Contract, the Bank's Business Regulations, these GCT, the Ptk. and other relevant provisions of law shall apply.

11.4.2 The invalidity of any section of this Contract shall only affect the given provision, and shall not entail the invalidity of the entire Contract.

11.4.3 The Parties shall attempt to settle any disputes as may arise between them amicably, out of court. If such attempts fail, the Parties may – in accordance with the rules on civil proceedings – file an action with the court that has competence and jurisdiction in the matter.

11.5 Notices

11.5.1 Any notice, request or other correspondence between the Debtor and the Bank under this Contract shall be made in writing. Any notice, request or other message shall be considered delivered if it has reached the other party by hand-delivery or by post to

the address specified in the Contract or other address that has been communicated by the given party to the other (sending) party by way of a notice.

11.5.2 In the case of a domestic addressee, documents sent by post shall be deemed delivered on the day when delivery is attempted, if the Debtor refused to accept receipt. If delivery was unsuccessful because the Debtor did not receive the document (i.e. did not pick it up), or the Debtor moved to an unknown place, the document is returned marked 'unknown addressee' or delivery was unsuccessful for any other reason, it shall be considered to be delivered on the fifth (5th) working day following the second delivery attempt. In the case of a foreign addressee, the Bank shall consider notices that are mailed to the Client to have been delivered upon the expiry of the eighth (8th) calendar day following their mailing. In the case of notices sent by fax – unless proven otherwise – the time of receipt shall be the time indicated in the activity report of the fax device.

11.6 Entire Agreement clause

The Contract contains all of the conditions pertaining to the subject-matter of the Contract and the agreement between the Bank and the Debtor, and all earlier agreements not included herein shall become null and void. Any practices or customs previously applied or established between the parties, or practices or customs familiar to or applied by the subjects of similar contracts do not form a part of this Contract.

11.7 Bank non-working day

If any due date/day specified in the Contract falls on a day that is a bank non-working day – and the Contract does not contain any provisions to the contrary – the Bank will, in respect of the due date/applicable date, consider the earliest bank working day following the bank non-working day as applicable, unless, in the case of a transaction involved in the interest equalisation system, the final maturity date falls on a bank non-working day, in which case the last bank working day preceding the bank non-working day will be the due date/applicable date.