

Valid from 15 July, 2021

1. DEFINITIONS

- 1.1. **Payment due date** means the number of calendar days within which the Debtor is obliged to pay the invoice. In the event of a discrepancy between the terms specified in the invoice and the Agreement, the term specified in the invoice shall apply;
- 1.2. **Advance payment** means the unpaid invoices issued to the Debtors submitted by the Customer to the Bank and confirmed by the Bank and or a part thereof, which the Bank pays to the Customer in accordance with the procedure set out in the Agreement;
- 1.3. **Debtor** means a person who purchases goods or services from the Customer and for whom the Bank has set a Debtor limit;
- 1.4. **Debtor limit** means the amount of the Purchase prices of the invoices issued to one Debtor and approved by the Bank for a certain period of time, according to which the Bank can pay the Customer an Advance payment not exceeding the Limit;
- 1.5. **Debtor limit validity period** means the period within which the Customer is entitled to submit and has submitted, and the Bank has received, the invoices issued to a particular Debtor;
- 1.6. **Financial Indicators and other commitments agreement** – a financial indicators and other commitments agreement entered into between the Bank, the Customer and/or third parties (if such agreement is also signed by third parties);
- 1.7. **Client self-service system** means the factoring account management self-service system (*Client manager*) available on the Bank's internet page, which the Customer can access to check information on the use of the Limit and the Debtor's Limit, to submit account details and other information;
- 1.8. **Administration of payment collection** – the administration of payment collection, without payment of Advance payments, on the basis of invoices submitted to the Bank by the Customer, including the registration of data of the invoices submitted by the Customer, the administration of the payment of invoices, and the submission of notifications to the Debtor in respect of invoices overdue for payment;
- 1.9. **Balance** means the difference between the Purchase price and the Advance payment paid;
- 1.10. **Limit** means the maximum amount set for a specific term, within which the Bank pays Advance payments to the Customer in accordance with the Bank's approved unpaid invoices of all Debtors;
- 1.11. **Limit validity period** means the period within which the Customer is entitled to submit to the Bank the invoices issued to the Debtor (for which the Debtor's Limit validity period has not expired) and within which the Bank received the invoices in accordance with the procedure set out in the Agreement;
- 1.12. **Purchase price** means the amount (price) stated in

the invoice for the goods, services or works delivered to the Debtor, together with all taxes calculated in accordance with the procedure established by law, and payable by the Debtor to the Customer under the Commercial Contract;

- 1.13. **Approved part of the purchase price** means the part of the Purchase price that the Bank has approved upon receipt of the invoice and related documents from the Customer and from which the Bank calculates the Advance payment;
- 1.14. **Right of claim** means the right to a monetary claim arising out of an unpaid invoice, including interest, penalties and remedies provided for in the Commercial contract;
- 1.15. **Reserved amount** – the part of the Purchase price that becomes unapproved by the Bank for the reasons set out in clause 3.5.1 of the Rules;
- 1.16. **Commercial contract** means a contract or other agreement between the Customer and the Debtor, including an order, under which the Customer sells goods, provides services or performs work and thereby acquires the right of claim against the Debtor.
- 1.17. **Agreement** – the Factoring Agreement and its annexes, the Rules for the Provision of General Services of AB SEB bankas and these Rules, available at www.seb.lt;
- 1.18. **Rules** means these Rules for Factoring available at www.seb.lt

2. ASSIGNMENT OF THE RIGHTS OF CLAIM

- 2.1. By signing the Agreement, the Customer assigns to the Bank the Rights of claim and pays to the Bank the fees set out in the Agreement, and the Bank takes over the Rights of Claim and transfers the Advance payment and the Balance to the Customer's account.
- 2.2. The Bank, by taking over the Rights of claim, shall not take over the Customer's obligations to the Debtor under the Commercial Contract, including the obligations related the quantity of goods or the number of services, the performance of work, the quality, completeness of goods, the delivery, installation, warranty services, and the provision of any other services related to the Customer's obligations to the Debtor.
- 2.3. Together with the Rights of claim, the Customer assigns to the Bank all additional rights that ensure the proper performance of the Commercial Contract and marks this in the relevant documents (surety agreements, bills of exchange, etc.) and submits them to the Bank.
- 2.4. The Rights of claim shall be deemed to have been assigned to the Bank as from the moment of invoicing.

3. ADVANCE PAYMENT

- 3.1. In order to receive an Advance payment, the Customer must provide the Bank with documents in a form and

- content acceptable to the Bank as specified in the Agreement. The documents shall be submitted in the manner specified in the Agreement for submission of documents to the Bank.
- 3.2. Before submitting invoices (or invoice data if the Agreement provides for invoice data to be submitted via the Client's self-service system), the Customer shall have the right to fill in an application for Advance payment/non-payment of the Advance payment or to choose a lower amount of Advance payment than that specified in the Agreement.
 - 3.3. The content of the invoices issued to the Debtor and submitted to the Bank shall be identical. The invoices shall be issued in a clear and legible manner and shall be free from any alterations, erasures, scratches, mechanical, chemical or other marks. The Bank shall not accept invoices issued in violation of the requirements of the legal acts of the Republic of Lithuania. Invoices must be issued in accordance with all the requirements of the legal acts and contain all the data required by the legislation, including the following:
 - 3.3.1. the amount payable and the currency (the currency of the invoice must be the same as the currency of the Limit);
 - 3.3.2. the date and number of the Commercial Contract and/or the order under which the invoice is issued (this requirement applies where the Customer has entered into more than one Commercial Contract /Order with the Debtor);
 - 3.3.3. an entry evidencing the assignment of the Right of claim as specified in the Agreement.
 - 3.4. Upon receipt from the Customer of the documents and/or the application required for the Advance payment, the Bank undertakes to examine them and:
 - 3.4.1. shall have the right to seek confirmation from the Debtor that the Debtor has received goods or services from the Customer, that the invoices submitted to the Bank have been received by the Debtor, that the Rights of Claim in respect of such invoices have been assigned to the Bank and that the Debtor intends to pay such invoices. Upon receipt of the Debtor's confirmation acceptable to the Bank, the Bank shall, no later than the next business day, transfer the Advance payment to the Customer's account specified in the Agreement;
 - 3.4.2. in the event that the Bank does not contact the Debtor and confirm the invoices, the Bank shall transfer the Advance payment to the Customer's account specified in the Agreement no later than within 2 (two) business days from the date of receipt of the invoices and other documents;
 - 3.4.3. inform the Customer, indicating the invoices which are not confirmed and under which the Advance payment will not be paid.
 - 3.5. The Parties agree and the Customer agrees that:
 - 3.5.1. The Bank shall be entitled to unilaterally amend the confirmed part of the Purchase price, having regard to the validity of the Debtor's Limit, the Limit and the payment of the Purchase Price, as follows:
 - 3.5.1.1. if the Debtor's Limit expires for any reason, then from the following day the total amount of the confirmed part of the Purchase price up to the expiry of the Debtor Limit in respect of the invoices submitted to that Debtor shall be deemed to be unapproved;
 - 3.5.1.2. if the Limit expires for any reason, then from the following day the total amount of the confirmed parts of the Purchase price to the expiry of the Limit in respect of the invoices submitted to all Debtors shall be deemed to be unapproved;
 - 3.5.2. the Bank shall have the right to unilaterally reduce the Advance payment amount payable to the Customer by the Reserved amount and to withhold payment of the Reserved amount. In the event that the unconfirmed part of the Purchase price becomes confirmed and all the conditions for payment of the Advance payment set out in the Agreement have been fulfilled, and none of the circumstances referred to in clause 3.7 of the Rules are present, the Bank shall have the right to pay out the retained amount of the Reserved amount in accordance with the procedures set out in the Agreement, without any separate request from the Customer;
 - 3.5.3. in the event that the confirmed total amount of the parts of the Purchase price has not changed by the time the Advance payment is paid, the Bank shall, prior to paying the Advance payment, first settle from the amount of the payable Advance payment all sums due from the Customer under the Agreement which were calculated at the time of payment, and then pay to the Customer the remaining amount of the Advance payment;
 - 3.5.4. in the event that the confirmed part of the Purchase price of any invoice(s) under which the Bank has paid the Advance payment has changed in any of the ways set out in clause 3.5.1 of the Rules, the Bank shall, prior to paying the Advance payment, first settle from the amount of the payable Advance payment all sums due from the Customer under the Agreement which were calculated at the time of payment, and then pay to the Customer the remaining amount of the Advance payment;
 - 3.6. The Bank shall pay the Advance payment only in the currency in which the Limit is set.
 - 3.7. The Bank shall not be obliged to pay an Advance payment if:
 - 3.7.1. The Customer submits to the Bank the

- documents required for the payment of the Advance payment less than 2 (two) calendar days before the expiry of the Payment deadline specified in the invoice or after the expiry of the validity period of the Debtor's limit;
- 3.7.2. the Debtor to whom the invoice is issued and/or the Customer does not properly perform or is in default of any monetary obligations to the Bank;
 - 3.7.3. The Customer submits a request to the Bank and the documents attached thereto after the expiry of the Agreement;
 - 3.7.4. the documents submitted by the Customer do not comply with these Rules, the terms of the Agreement or have been executed not in accordance with the legal acts;
 - 3.7.5. The Bank's acceptance of the invoice will result in exceeding the Debtor's Limit and/or the Limit. However, the Bank shall have the right to accept the accounts regardless of whether the acceptance of the accounts will result in exceeding the Debtor's limit and/or the Limit;
 - 3.7.6. The Debtor fails to provide the Bank with requested information;
 - 3.7.7. the Customer fails to perform or improperly performs its obligations under the Agreement;
 - 3.7.8. In the Bank's opinion, there are other important reasons or circumstances which prevent the Bank from confirming the invoice (e.g., suspicion that the account is falsified, etc.);
 - 3.7.9. In the Bank's opinion, the financial condition of the Customer or the relevant Debtor deteriorates compared to its financial condition on the date of signing the Agreement, or circumstances arise which, in the Bank's opinion, suggest that there has been or may be a threat of improper performance by the Customer or the Debtor, that the Customer or the Debtor will be unable or incapable of properly fulfilling its obligations under the Agreement/Commercial Contract/other agreements or transactions (failure to fulfil its obligations to third parties, refusal of cooperation by key suppliers, violation of environmental protection requirements, violation of the legislation of the Republic of Lithuania resulting in the imposition of sanctions, imposition of measures of force by state authorities, seizure of accounts and / or other assets or parts of assets, etc.);
- 3.8. If the Advance payment is not paid in accordance with the invoices, the Bank shall inform the Customer thereof, calculate the invoice acceptance fee and commence the administration of the collection of the Funds in respect of such invoices, or the Bank shall have the right to unilaterally return the Rights of claim to the Customer.
- 3.9. In the event that the amount of the Advance payment is reduced or increased by agreement between the parties, the amended amount of the Advance payment shall also apply in respect of the Debtors' unpaid accounts for which Advance payments have already been paid. If the Advance payment is reduced, the difference between the Advance payments already paid by the Bank and the recalculated Advance payments shall become the amount payable by the Customer to the Bank, and if the Advance payment is increased, the difference shall become the amount payable by the Bank to the Customer.
- #### **4. PAYMENT OF THE BALANCE**
- 4.1. In the event that the Bank receives the Purchase price or any part thereof in excess of the Advance payment paid to the Customer, the Bank shall first deduct from the Purchase price or any part thereof in excess of the Advance payment paid to the Customer all amounts payable by the Customer to the Bank under the Agreement and shall transfer the remaining part of the Purchase price to the Customer's account as specified in the Agreement within two (2) business days. Upon completion of the actions referred to in this clause, the Bank shall be entitled to return to the Customer the Rights of claim to the remaining unpaid part of the Purchase price.
 - 4.2. If, by the time of receipt of the Purchase price or any part thereof in excess of the Advance payment paid to the Customer, the Confirmed part of the Purchase price of any invoice(s) under which the Bank has paid the Advance payment has changed in accordance in the manner specified in clause 3.5 of the Rules, the Bank shall first deduct from the Purchase price or any part thereof in excess of the Advance payment paid to the Customer all amounts payable by the Customer to the Bank under the Agreement and any Reserved amounts and shall transfer the remaining part of the Purchase price to the Customer's account within 2 (two) business days. The Parties acknowledge that the Bank shall have the right to settle the Reserved amounts at its option in any order.
 - 4.3. In the event that the Agreement is terminated as a result of the Customer's non-proper fulfilment of its obligations or the Debtor's non-proper payments to the Bank in accordance with the procedure set out in the Agreement and/or the Bank or third parties acting on the Bank's behalf commence recovery proceedings against the Customer and/or the Debtor, and/or the Bank receives an insurance benefit, irrespective of the proportion, order or ranking of the amount of the debt owed to the Bank, the Customer shall only be entitled to the Balance after the debt owed to the Bank has been fully settled. The Debt shall not be broken down by invoices, Debtors or otherwise.
- #### **5. DEBTOR'S LIMIT AND THE LIMIT, REDUCTION OR CANCELLATION THEREOF**

- 5.1. The Bank shall be entitled to unilaterally reduce or cancel the Debtor's Limit/the Limit by notifying the Customer if:
 - 5.1.1. The Customer or the Debtor does not properly perform its obligations under the Agreement and/or the Commercial Contract;
 - 5.1.2. The Bank has not received the Purchase price from the Debtor and no demand for payment of the Purchase price has been made, the Customer shall pay the Purchase price at its own expense;
 - 5.1.3. Circumstances emerge which, in the Bank's opinion, suggest that there has been or may be a threat of improper performance by the Customer or the Debtor, that the Customer or the Debtor will be unable or incapable of properly fulfilling its obligations under the Agreement/Commercial Contract/other agreements or transactions (failure to fulfil its obligations to third parties, refusal of cooperation by key suppliers, violation of environmental protection requirements, violation of the legislation of the Republic of Lithuania resulting in the imposition of sanctions, imposition of measures of force by state authorities, seizure of accounts and / or other assets or parts of assets, etc.);
 - 5.1.4. It turns out that the Customer and the Debtor are related persons (their founders, majority of the members of the governing bodies, the owners coincide; they are related by close kinship; the Customer and the Debtor are the parent company and the subsidiary of the company, one controls the other directly or indirectly, belong to the same group of companies, otherwise has common interests or is becoming so);
- 5.2. the reduction or cancellation of the Debtor's Limit/the Limit shall take effect from the date of the Bank's notice to the Customer or such other date as may be specified in the Bank's notice.
- 5.3. In the event of a change in the circumstances of the cancellation of the Debtor's Limit/the Limit, the Bank shall be entitled to take a unilateral decision to resume the Debtor's Limit/the Limit at the Customer's request by notifying the Customer thereof.

6. OBLIGATIONS OF THE CUSTOMER AND THE BANK

- 6.1. The Customer undertakes:
 - 6.1.1. from the date of signing of the Agreement, to include in all invoices issued to the Debtors referred to in the Agreement an entry of assignment of the right of claim as specified in the Agreement;
 - 6.1.2. after signing the Agreement, send to the Debtor(s) a notice of the conclusion of the Agreement in the form set out in the Agreement;
 - 6.1.3. After the conclusion of the Agreement,

changes in the terms and conditions of the Commercial Contracts, if they may affect the Bank's receipt of the full Purchase price from the Debtor (reduction of the amounts payable to the Bank, changes in the terms and conditions of settlement, etc.), shall be agreed in writing in advance with the Bank;

- 6.1.4. if the Debtor has for any reason paid the Purchase price or a part thereof not to the Bank (irrespective of whether or not the Debtor has been informed of the assignment of the Rights of claim), but directly to the Customer or to another person, the Customer undertakes to inform the Bank in writing and to transfer the said Purchase price to the Bank no later than the next business day after it has become aware of this fact;
- 6.1.5. immediately provide the Bank with all information known to the Bank about events or circumstances which have or may have a negative impact on the ability of the Customer or the Debtors to timely and properly perform the obligations assumed under the Agreement and/or the Commercial Contracts, information received about the announcement of the declaration of bankruptcy against the Debtor;
- 6.1.6. refrain from any action relating to the disposal of the Rights of claim assigned to the Bank and acknowledge that any transactions entered into in connection with the disposal of the Rights of Claim assigned to the Bank shall be deemed null and void as of the moment of their conclusion;
- 6.1.7. ensure that the Customers' Self-Service System is accessed only by persons authorised by the Customer and that the data provided in the Customer's Self-Service System is accurate and correct. The Customer accepts responsibility for the accuracy and correctness of the data provided in the Customers' Self-Service System.
- 6.1.8. Immediately, but no later than within 5 (five) Business Days from the date of invoicing, submit to the Bank all invoices issued by the Customer to the Debtor or invoice data (depending on the method of submission of documents to the Bank specified in the Agreement) under all Commercial Contracts, including credit / debit invoices, or their data, during the entire period of the Agreement;
- 6.1.9. upon presentation of the credit / debit invoice to the Bank, repay to the Bank within 3 (three) business days at the latest the part of the Advance payment equal to the amount of the credit / debit invoice. If the Customer fails to comply with the obligation set out in this clause, the Bank shall have the right to debit the amount of the credit / debit invoice from the Customer's accounts with the Bank or to

reduce the amounts due to the Customer under the Agreement by the corresponding amount;

- 6.1.10. not later than within 3 (three) business days from the date of receipt of the Bank's request, submit to the Bank documents related to the performance of the Customer's obligations under the Agreement and/or the Commercial Contract, the Customer's performance of the obligations to the Debtor, copies of invoices, reports on the Customer's receivables from the Debtors in the form and content acceptable to the Bank and any other documents requested by the Bank;
 - 6.1.11. duly perform the obligations assumed under the Financial Indicators and other commitments agreement and/or ensure that third parties duly perform the obligations assumed under the Financial Indicators and other commitments agreement (in the event that the Financial Indicators and other commitments agreement is also signed by third parties);
 - 6.1.12. inform the third party of the main terms and conditions of the Agreement and the Financial Indicators and other commitments agreement if the Customer's obligations under the Agreement are secured by collateral provided by third parties.
- 6.2. During the term of the Agreement, the Customer undertakes to perform the following only with the prior written consent of the Bank:
- 6.2.1. enter into agreements with the Debtors, make any set-offs with the Debtors and/or perform any other actions which could affect the proper enforcement of the assumed Rights of claim or entitle the Debtors to default on their obligations under the Rights of Claim assumed by the Bank;
 - 6.2.2. enter into factoring agreements with third parties;
 - 6.2.3. transfer to third parties all or part of its debt, rights or obligations.
- 6.3. The Bank undertakes:
- 6.3.1. To enable the Customer to check information on the use of the Limit and the Debtor's limits in the Customers' Self-Service System;
 - 6.3.2. To provide the Customer with a VAT invoice no later than on the 10th (tenth) day of the month showing the Taxes calculated in the previous month.
- 6.4. The Parties agree that the Bank, in order to inform the Debtor of the assignment of the Rights of claim, shall have the right to send a written notice to the Debtor informing the Bank of the assignment of the pecuniary claim, as well as specifying to whom the invoices are to be paid.

7. CLAIMS OF DEBTORS

- 7.1. If the Debtor makes any claim against the Bank in

connection with the performance of the Commercial Contract or demands repayment of the Purchase price or any part thereof, the Bank undertakes to inform the Customer thereof no later than on the next business day following receipt of the claim.

- 7.2. If the Debtor submits the claim directly to the Customer, the Customer shall inform the Bank thereof no later than on the next business day following receipt of the claim and shall enclose a copy of the claim and the documents relating thereto.

8. NON-PAYMENT OF THE PURCHASE PRICE

- 8.1. If at any time the Bank becomes aware that the Purchase price or any part thereof has not been paid because (a) the goods/services/works invoiced have not been delivered/provided/performed at all, or (b) the goods/services/works invoiced are not in accordance with the terms of the Commercial Contract, requirements (including hidden defects that could not be detected at the time of acceptance of the goods/services/works), or c) the Customer has in any other way breached the terms of the Commercial Contract, or for any other reason there is a risk that the Debtor will not pay the invoice (e.g., there is a dispute between the Debtor and the Customer regarding the Commercial Contract, etc.), or (d) there is a threat that the insurer insuring the Debtor's payment obligations may fail to pay the insurance benefit to the Bank due to any action by the Customer, the Bank shall have the right to unilaterally cancel the Debtor's Limit/the Limit and require from the Customer that:

8.1.1. The Customer immediately takes steps to settle claims and resolve conflicts with the Debtor;

8.1.2. The Customer pays to the Bank within 1 (one) business day from the date of the Bank's request the Advance payment, the amounts due to the Bank from the Customer and the Debtor and all Fees due (including VAT);

The provisions of this clause shall be valid without prejudice to whether or not the Agreement provides for a right of recourse against the Customer.

- 8.2. Upon payment by the Customer of the amounts due to the Bank by the Debtor, the Bank shall be entitled to return the Right of claim to the Customer, provided that the Right of claim has not been assigned to a third party. The return of the Right of claim shall be formalised by the Bank in a unilateral letter. The Parties agree that the Customer shall be deemed to be the owner of the returned Right of claim on the next business day following the Bank's dispatch of the letter of return of the Right of claim.

- 8.3. If, on the date of payment of the invoice, the part of the Purchase price paid by the Debtor to the Bank exceeds the Advance payment paid to the Customer and all other amounts payable to the Bank under the Agreement, the Bank shall be entitled to return the Right of claim to the Customer for the remaining unpaid part of the Purchase price.

- 8.4. The Bank undertakes to use the funds received under

the Agreement to settle the amounts due to the Bank no later than the next business day after the date of crediting the funds to the Bank's account, and if the purpose of the funds received is unclear, no later than the next business day after receipt of the relevant clarifications.

- 8.5. The Parties agree, and the Customer gives its consent that in the event that the Debtor pays the Purchase price or any part thereof to the Bank under the invoices in a currency other than the currency of the Limit set for the Customer, the Bank shall be entitled to accept such payment from the Debtor, provided, however, that, upon the receipt by the Bank of such payments and their conversion to the currency of the Limit, the amount received is insufficient to cover the Advance payment paid by the Bank and any other amounts payable to the Bank under the Agreement, the Bank shall debit the difference between the Advance payment and the amount paid by the Debtor, and any other amounts payable to the Bank under the Agreement, from the Customer in accordance with the procedures set out in these Rules.
- 8.6. If the Debtor pays the Purchase price or part thereof to the Bank in accordance with the invoices in a currency other than the Customer's Limit currency, the Bank shall convert the payments received from the Debtor into the Limit currency at the non-cash buying and/or selling rate in force at the time of crediting the funds to the Bank's account.

9. RECOURSE

- 9.1. If the Agreement specifies that recourse against the Customer is applicable, then the following provisions shall apply to the Customer:
- 9.1.1. The Parties agree and the Customer undertakes to be jointly and severally liable for the Debtor's unfulfilled or improperly fulfilled monetary obligations under the invoices assigned to the Bank under the Agreement. In the event of the Debtor's default or improper performance of its obligations to pay the amounts specified in the invoice/Agreement, the Bank shall have the undisputed right to demand that the obligation be performed by both the Customer and the Debtor, or by both of them jointly (Article 6.6 of the Civil Code of the Republic of Lithuania). The Customer's joint and several liability for the Debtor's unfulfilled obligations shall remain in force until the Debtor or the Customer itself has fulfilled in full the outstanding monetary obligations under the Commercial Contract and the Agreement;
- 9.1.2. if any Debtor fails for any reason to pay the Purchase price to the Bank within the time specified in the invoice, or pays only part thereof, the Bank shall:
- 9.1.2.1. inform the Customer thereof;
- 9.1.2.2. have the right to require the Customer to pay to the Bank, within 1 (one)

business day from the date of receipt of the Bank's request, the difference between the Advance payment paid to the Bank under such invoice and the amounts paid to the Bank by the Debtor under such invoices and all fees (including of VAT) due to the Bank under such invoice.

10. FEES AND EXPENSES

- 10.1. The Bank shall charge and calculate the following fees:
- 10.1.1. **Limit administration fee** – a fee payable once a year for the setting of the Limit and for the annual review, documentation and administration of the Limit, calculated on the Limit amount. The fee shall be calculated for the first time on the amount of the Limit at the time of the conclusion of the Agreement, on the date of the increase of the Limit, on the amount of the increased Limit, and the additional calculated portion shall be paid on the date of the signature of the amendment to the Agreement to increase the Limit. After the conclusion of the Agreement, the Bank shall not refund the Limit administration fee to the Customer under any circumstances (including where the Customer waives or reduces the Limit);
- 10.1.2. **Debtor risk assessment fee** – the fee for the assessment of the Debtor's risk in accordance with the Customer's enquiry regarding the acceptability of the Debtor's risk. The fee shall be calculated for each assessment of a potential Debtor's risk and for each renewal of the Limit for an existing Debtor or addition of a new Debtor to the Agreement. For a new Debtor, this risk assessment fee shall be calculated prior to the application to the insurance company, for existing Debtors it shall be calculated together with the Limit administration fee;
- 10.1.3. **Financing fee** – a fee calculated on the amount of the Advance payment paid, the calculated fees for the administration of the Limit, the acceptance of the invoice, the risk assessment of the Debtor and the amendment of the terms of the Agreement. The Financing fee shall be calculated for the period from the date of payment of the Advance payment or the date of calculation of the Fees due until the date on which the Advance payment and the Fees due are paid to the Bank in accordance with the terms and conditions set out in the Agreement. The Financing fee shall consist of the Bank's margin and variable interest (the interest rate base). The interest rate reset period shall be specified in the Agreement. The variable interest rate base shall be determined by the

variable interest rate quoted on the preceding business day of the relevant interbank market. If the variable interest is negative, the variable interest shall be deemed to be zero. For the first time, the variable interest used for the calculation of the Financing fee shall be determined on the date of signature of the Agreement. The Financing fee shall be calculated on the last calendar day of each month;

10.1.4. **Invoice acceptance fee** – a fee calculated for the verification, control and administration of the invoice and the credit / debit invoice issued in accordance with the procedure prescribed by legal acts and the documents relating to the invoices. The Invoice acceptance fee shall be calculated on the Purchase price specified in the invoice or credit / debit invoice. The Invoice acceptance fee shall be calculated on the date of submission of the invoice and the credit / debit invoice to the Bank;

10.1.5. **The agreement amendment fee** shall apply to an amendment to the Agreement and shall be calculated on the date of signature of the amendment to the Agreement, unless otherwise specified in the amendment.

10.2. Penalties and fines:

10.2.1. If the Customer fails to duly and timely perform or improperly performs its obligations related to the contractual performance security measures (if any), the Bank shall have the right to apply the penalty in euros as stated in the Agreement for each defaulted obligation on the next day already without any prior notice to the Customer;

10.2.2. in the event of the Customer and/or the Debtor's failure to fulfil or improperly fulfil other non-financial obligations in a proper and timely manner (e.g., by failing to provide the Bank with invoices or requested information, by concluding agreements with the Debtor which materially affect the rights of claim assigned to the Bank and/or payment of invoices, by violating or proving to be incorrect the representations and warranties provided for in the Rules or the Agreement, etc.), as well as in the event of breach of the obligations referred to in clauses 6.1 - 6.2 of the Rules, the Customer shall be obliged to pay, within a reasonable period of time determined by the Bank, the prescribed penalty in euros for each obligation not duly fulfilled. The Bank shall be entitled to debit the penalty from the Customer's account;

10.2.3. A Party that misses the deadlines for the performance of payment (monetary) obligations set out in the Agreement shall pay the Bank a default interest of the amount set out in the Agreement for each day of the

missed deadline for the performance of the monetary obligation;

10.2.4. If the Customer fails to perform or improperly performs its obligations under the Agreement, the Bank shall have the right to demand that the Customer pay the Bank within 1 (one) calendar day from the date of the Bank's demand: (a) the confirmed part of the Purchase price which has become unconfirmed in any manner set out in the Agreement, (b) the difference between the Advance payment paid and the amounts received from the Debtors, (c) the Financing fee calculated up to the date on which the Customer is obliged to pay the amounts required by the Bank;

10.2.5. Interest shall be calculated from the date on which the monetary obligation should have been performed until the date on which the obligation is duly performed. The Customer shall pay the interest without delay. Interest shall be payable in the currency of the Limit;

10.2.6. Payment of interest, late payment interest and/or penalties shall not relieve the Customer from the performance of its contractual obligations and shall not entitle the Customer to request a postponement of the performance of its obligations or limit the Bank's right to terminate the Agreement.

10.3. Other Expenses:

10.3.1. The Customer undertakes to pay and/or reimburse the Bank in due and timely manner:

10.3.1.1. All other fees for all services rendered by the Bank to the Customer in accordance with the current version of the Bank's Price List (available on the Bank's website www.seb.lt);

10.3.1.2. All fees of other banks (in the currency specified by them) for their services;

10.3.1.3. All costs incurred in connection with any dispute or disagreement with the Debtor, including amounts recovered from the Bank under enforcement proceedings;

10.3.1.4. All costs and charges in connection with the performance of the Agreement, insurance and the collection of the debt under the Agreement;

10.3.1.5. The costs of contracting, registering, amending, de-registering, cancelling, insuring, appraising, maintaining and selling security instruments for the performance of obligations under the Agreement;

10.3.1.6. Any losses incurred by the Bank as a result of the Customer's failure to perform or improper performance of its obligations under the Agreement or the Commercial Contracts, or as a

result of the Customer's misleading representations and warranties. Indemnifiable losses include stamp duty, legal proceedings, representation, insurance, valuation of assets to be realised and other costs.

10.3.2. The Bank shall indemnify the Customer against losses caused by the Bank's failure to perform or improper performance of its obligations under the Agreement, but shall not be liable for the Customer's failure to perform or improper performance of its obligations to the Debtors under the Commercial Contracts. The Bank shall also not be liable for the Customer's direct and indirect losses in connection with the non-payment, reduction, reduction or cancellation of the Limit/Debtor Limit and suspension of the payment of the Advance payment, provided that the Bank has acted in accordance with the Rules and the Agreement.

11. PAYMENTS BY THE CUSTOMER

11.1. The Customer undertakes to pay all fees to the Bank no later than the date of calculation.

11.2. In the event that the Customer fails to pay the fees on the due date, the Bank shall be deemed to finance the Customer with the amount of the unpaid fees and the Customer shall pay to the Bank the Financing fee for the amount of the unpaid fees, plus the fees established by the legislation of the Republic of Lithuania.

11.3. The Bank shall have the right to debit all amounts payable to the Bank under the Agreement from the Customer's bank account specified in the Agreement on the date of their payment without the Customer's separate instruction and consent or under any other procedure established by the legislation of the Republic of Lithuania. From the moment of debiting the amounts payable from the Customer's bank account, the payment shall be deemed to have been made. If the funds in the bank account specified in the Agreement are insufficient to debit the amounts due under the Agreement, the Customer agrees that the relevant amounts shall be debited from the Customer's other bank accounts with the Bank in accordance with the procedure set out in this clause.

11.4. If the Customer's bank accounts with the Bank are insufficient to debit the amounts due under the Agreement, the Customer agrees that the Bank shall, without the Customer's separate instruction and consent or otherwise in accordance with the procedure established by the laws of the Republic of Lithuania, debit the amounts due to the Bank pursuant to the Agreement from the bank accounts of the Customer of all kinds (whether in euro or in other currencies) with other banks and credit institutions in accordance with the Bank's debit payment instructions. The Agreement also constitutes an unconditional instruction by the Customer to another

bank or credit institution to convert the funds to be debited into the required currency at the Bank's request if the Customer's bank account does not contain funds or does not contain sufficient funds in the currency to be paid, and to transfer such funds to a bank account specified by the Bank. This consent of the Customer may not be withdrawn without modification of the Agreement or without the Bank's prior written consent. The Agreement shall also be deemed to be the Customer's unconditional and irrevocable consent to the Bank obtaining all necessary information about the Customer's accounts and balances with other banks and credit institutions;

11.5. Payments received from the Debtor shall be settled in chronological order, i.e., the oldest invoices shall be settled first in accordance with the due date of the invoice, unless otherwise agreed in the Agreement. If the Debtor, when executing a payment order, specifies in the destination a particular invoice to be paid and the invoice is not the oldest, the Bank shall be entitled to seek an explanation from the Debtor as to why the invoices are not the oldest. If no reasonable explanation is received from the Debtor within the time limit set by the Bank, the Bank shall have the right to settle the payment received against the oldest invoice.

11.6. Pursuant to Articles 6.54 - 6.55 of the Civil Code of the Republic of Lithuania, the Parties expressly agree that if the due date of several amounts payable by the Customer under the Agreement overlaps and/or the Bank receives an amount lower than the total amount payable by the Customer to the Bank under the Agreement, the Bank shall have the right to allocate the amounts received at its discretion.

11.7. The Bank shall be entitled to use any funds received under this Agreement to satisfy all of its monetary claims against the Customer, i.e. to cover the amounts payable by the Customer to the Bank both under this Agreement and under any other agreements concluded with the Bank or the Bank's subsidiaries, irrespective of the basis on which such monetary claims arose, and shall be entitled to include all amounts which the Customer is obliged to pay to the Bank under the Agreement or under any other legal fact, i.e. other agreements concluded with the Bank or the Bank's subsidiaries, into the Advance payment, the Balance or any other amounts payable to the Customer under the Agreement by changing the currency of the funds, if necessary, in accordance with the procedure set out in the Rules.

11.8. These Rules are made in Lithuanian and English languages. In the event of any inconsistency between the English and Lithuanian texts, the Lithuanian text shall prevail.