



GENERAL TERMS AND CONDITIONS FOR LOANS

I. LOAN GRANTING

1. The loan shall be granted after submission on the part of the BORROWER of all documents required by the BANK, provision of the agreed security, established under the procedure envisaged by law, payment of the relevant fees and commissions, and execution of all conditions, envisaged in the loan agreement and the present General Terms and Conditions. Any expenses for establishment/registration/erasure of collateral under the loan relations shall be borne by the BORROWER.

2. The BORROWER shall be entitled to use the loan only for the designated purpose. The BORROWER shall have no right to use the funds of the loan granted for funding casinos, activities considered as currency speculations, investments in any type of securities, purchase and sale of immovable properties of speculative nature, as well as performing any of the business activities that ProCredit Bank (Bulgaria) AD does not finance, as is listed in the Exclusion list, due to inconformity with the Environmental Protection policy. The BORROWER hereby declares that he/she is familiar with the above-mentioned list, representing an integral part of the present General Terms and Conditions.

3. The BORROWER hereby declares that he/she is legally competent and active; that upon performing his/her activity he/she does not violate the Bulgarian legislation in any way; that he/she is familiar with the requirements for labor safety, as well as the environmental, health and social requirements, stipulated by Bulgarian legislation and that his/her company operates in conformity with these requirements.

II. INTEREST CALCULATION

4. The interest on the utilized part of the loan shall be calculated from the day of the loan granting – monthly, on the basis of a real number of days/360, including the first and the last day of the period.

5. For credit lines or overdrafts, the annual interest shall be calculated on the basis of a real number of days/360 on the actually utilized part of the loan. Interest calculation shall be done on a daily basis on the amount utilized for the relevant day as the interest shall be paid monthly on the first business day of the month for the previous month. The BORROWER shall be obliged to ensure that sufficient funds are in his/her current account with the BANK on the day of interest payment in order to pay the interest due under the loan, so that the maximum permitted amount of an overdraft shall not be exceeded.

6. In case of any considerable changes in interest rates in Bulgaria, upon changes in the economic environment, upon increase in the price of the financial resource, as well as upon the occurrence of other objective circumstances, (including inflation increase, etc.), the BANK shall be entitled to unilaterally change the agreed and/or delay interest rate under the loan agreement. The interest rate shall be changed automatically as of the date of the resolution of the Management Board of the BANK. The BANK shall be obliged to notify the BORROWER of such change and the Parties will not be required to sign any annexes. In case of disagreement on behalf of the BORROWER on the changed interest rate, he/she shall be entitled within 30 days to repay his/her loan liabilities before the time set, together with all initially agreed interest for the period of factual utilization of the loan funds, without paying any fees for early repayment. The BANK may give a longer term for early repayment for which it shall notify the BORROWER.

7. For loans granted with a floating interest rate the interest shall be fixed for periods specified in the loan agreement. The BANK shall provide the BORROWER with a repayment schedule upon signing the loan agreement for the first period, where the interest rate is fixed on the basis of the relevant index (EURIBOR, LIBOR, SOFIBOR, LEONIA, etc.). For every subsequent period, after determining the amount of the interest, the BANK shall provide the BORROWER with a repayment schedule upon his/her explicit request.

III. REPAYMENT

8. The BORROWER shall be obliged to utilize and repay the funds granted according to the provisions of the loan agreement. The BORROWER shall be obliged to open a current account with the BANK and to maintain it until all liabilities under the loan agreement have been discharged. For opening and maintaining the account, as well as for the execution of all orders, the BANK shall calculate and collect fees and commissions according to its Tariff.

9. By signing the loan agreement, the BORROWER shall give his/her irrevocable and unconditional consent for the BANK to collect ex officio all due fees, commissions, penalties, interests and principal from the assets in his/her accounts with the BANK, as well as from other banks – pursuant to his/her irrevocable and unconditional written consent for immediate collection, provided to it upon conclusion of the loan agreement. On the maturity date, the BANK shall collect ex officio the due interest and principal under the loan from the current accounts of the BORROWER, and in

case the assets in them are insufficient, the BANK shall be authorized to charge the liabilities to the deposit, banking and/or savings accounts of the BORROWER at its own discretion.

10. The BORROWER shall be obliged to pay principal, interest, fees and commissions in the currency in which the funds under the loan have been provided. In case:

- the BORROWER provides the BANK with currency, other than the one in which the funds under the loan have been provided, he/she shall be obliged to provide an amount in the different currency, sufficient for the purchase of a quantity of the loan currency, which is sufficient to discharge his/her liabilities.

- Each payment, for which insufficient funds in the monetary unit of the loan or a different monetary unit have been provided, which after the exchange, due to fluctuations of the exchange rate are insufficient for the full execution of the respective obligation, shall be considered partial payment.

- The payment has been made through provision of foreign currency, upon exchange of the currency, necessary for satisfaction of the receivables of the BANK under the loan agreement the selling rate of the BANK for the relevant day shall apply. Currency losses or profits from those exchanges of currency shall be at the expense of the BORROWER, who shall have no right of any requests, objections and claims in this respect.

11. Where the day for repayment of the obligations on the principal and/or the interest is an official non-business day, the following business day shall be considered to be the repayment date.

12. Upon default of maturity dates for repayment of the principal and/or interest under the loan, as well as in cases of announced premature claim of the receivables under the loan, the BORROWER shall owe delay interest in the amount of: a) 4% per month of the amount of the overdue principal until the date of complete and final repayment of the liability under Agreements for ProCredit Sprint with private individuals and legal entities and under Agreements for agricultural loans, b) 3,50% per month on the amount of the overdue principal until the date of complete and final repayment of the liability under Agreements for ProCredit Dynamo, Agreements for ProCredit Business, Agreements for ProCredit Development, c) 2% per month of the amount of utilized and outstanding part of the principal until the date of complete and final repayment of the liability for credit lines. The BANK shall calculate delay interest, as of the date following the maturity date of the liability. The delay interest shall be calculated daily until submission of application to the BANK for issuing a writ of execution, respectively until the date of selling chattel pledged pursuant to the provisions of the Law on Registered Pledges (in the cases where extra-judicial realization of receivables is permitted by the law).

13. For overdraft agreements in case the BORROWER fails to pay interest due and/or fails to repay the amounts utilized by the relevant maturity date, the BANK shall repay the overdue amount by granting him/her overdraft. For the sum granted the BANK shall calculate interest for unauthorized overdraft in amount according to the Tariff for Private Individuals/Legal Entities of "ProCredit Bank (Bulgaria)" AD and the BORROWER shall not pay the delay interest mentioned in item 11 above.

14. Upon default on behalf of the BORROWER on the entire amount of his/her obligations, they shall be paid off in the following order: delay interest; overdue interest; overdue principal; regular interest; regular principal; fees and commissions due under the BANK's Tariff for Private Individual/Legal Entities; court expenses. In case the BORROWER has several annuity loans with the BANK at the same time, the entire amount of delay interest shall be paid in the first place, and then the liabilities shall be repaid by installments beginning with the installment having the greatest number of days in delay pursuant to the order, specified in the preceding sentence. When liabilities are repaid under several loan agreements at the same time, the repayments shall be executed in parallel considering the days of delay. The parties may also agree on another order for discharge of the obligations.

15. The BORROWER shall be entitled to repay early the entire amount of the loan utilized by submitting a written application to the BANK via 30-day prior written notice and the repayment shall be executed only on any of the dates for payment of installments for principal or interest according to the repayment schedule in the Loan agreement. Upon early repayment of the loan or a part thereof, including the cases of premature claim, the BORROWER shall pay the interest due as of the date of early repayment, as well as commission for early repayment in amount according to the Tariff of "ProCredit Bank (Bulgaria)" AD, valid as of the date of early repayment. The payment of the commission for early repayment shall be grounds for performing early repayment by the BANK.

16. The operation of the loan agreement may be terminated by any of



the parties by the expiry of 30-day prior written notice from the date of its receiving by the other party. Should the termination has been initiated by the BORROWER, it shall be considered that the same has exercised his/her right of early repayment of the amounts due under the loan agreement /principal, interest, commissions and expenses/ and item 15 above shall be applied, as the BORROWER shall owe and pay commission for early repayment.

17. If the BORROWER has expressed his/her will for early repayment and there are liabilities present under several agreements concluded between the BORROWER and the BANK, as well as between the BORROWER and "ProCredit Company" EAD, his/her liabilities shall be repaid in the following sequence: loans without collateral shall be repaid first, then loans with an issued promissory note; third, pledge-guaranteed loans and last, loans with mortgage on real estate(s).

18. In case the BORROWER has several liabilities to the BANK or "ProCredit Company" EAD at the same time, which are declared prematurely claimed, the liabilities shall be repaid in the sequence specified in item 14 of the present General Terms and Conditions.

19. Provided that the BANK and/or "ProCredit Company" EAD has declared its receivables prematurely claimed and there is a Writ of enforced collection /Writ of execution issued, the liabilities shall be repaid in the following sequence: expenses; interest; principal. In case the loan has been classified as lost pursuant to Ordinance № 9 of the Bulgarian National Bank, liabilities shall be repaid as follows: principal; interest; fees, commissions and expenses.

20. The BANK shall be entitled to unilaterally take decision and suspend the utilization of sums under agreements for credit lines or overdrafts, as well as under framework agreements for granting loan limit. The BANK shall notify the BORROWER of its decision and for the deadline for repayment of all sums utilized and interest due.

IV. UTILIZATION

21. For the duration of the loan agreement, the BORROWER shall be obliged to perform its obligations thereto with the care of a good merchant, as well as:

22. Provide all documents related to any changes and amendments of documents provided to the BANK upon loan granting, within 5 days of the date of their issuing or renewal.

23. Not make any changes in the structure of his/her property/capital structure.

24. Notify the BANK in writing of any connections recently occurred, within the meaning of the Law on Credit Institutions within 30 days of its occurrence, as well as provide the BANK upon request, but at least once in every six months, declaration of connection with third parties and the loan indebtedness of the parties related to him/her;

25. Notify the BANK in writing of any changes in his/her management bodies and representations, by providing in due time the document executing the change;

26. Notify the BANK in writing of any changes of the mailing address stated in the Loan agreement and provide his/her new address. Otherwise, any notifications sent by the BANK to the old address of the BORROWER shall be deemed duly delivered;

27. He/she shall be entitled to use loans granted by third parties only after obtaining the prior written notice of the BANK. This restriction shall apply to the BORROWER, the JOINT DEBTOR and the related parties of the BORROWER (within the meaning of the Law on Credit Institutions), who use funding by "ProCredit Bank (Bulgaria)" AD or "ProLease (Bulgaria)" EAD;

28. Not assume obligations, which directly or indirectly may worsen the opportunity of the BANK to collect the receivables under the loan agreement, as well as not provide third parties with collateral better and more liquid than the one provided to the BANK;

29. Notify the BANK in writing of any circumstances which may threaten the regular repayment of his/her loan liabilities. Upon the written request of the BANK he/she should provide immediately actual information about his/her property and financial status, as well as the property and financial status of the CO-DEBTOR and/or the GUARANTOR under the loan agreement.

30. Provide the BANK with all financial statements which in virtue of Bulgarian legislation he/she shall be obliged to prepare, without any additional reminding on behalf of the BANK;

31. Provide opportunity for exercising control on behalf of the BANK by providing upon request within 2 (two) days references, data and documents, proving his/her accounting, other documents and information related to the loan.

32. Provide access of the Bank to all places, activities and installations, connected with his/her business and provide opportunity for making control verifications.

33. Not perform any actions of arrangement with the collateral provided, including its pledge/mortgage to the benefit of third parties and/or its encumbrance. In case the collateral is established by third parties – guarantors, the BORROWER shall be obliged to prevent the guarantors of perform-

ing any actions of arrangement with the collateral provided, including its pledge/mortgage before third parties and/or its encumbrance.

34. Not perform actions of arrangement with his/her property, as a result of which the opportunity of the BANK to collect its receivables under the loan agreement is threatened.

35. In case of worsening the financial status of the BORROWER and/or the JOINT DEBTOR or the status of the people related to them and/or decrease in the value of provided collateral, regardless of the reasons for that, provide, upon the first written request by the BANK, a new collateral, or repay his/her liabilities to the amount specified by the BANK.

36. In case the value of collateral under the Loan agreement and the agreement for its establishment decreases, regardless of the reasons for that, and the BANK considers that it is insufficient to guarantee the liabilities of the BORROWER, he/she shall be obliged upon the first request to reduce his/her liability under the loan agreement or provide additional collateral of type, amount and deadline, specified by the creditor.

37. The BANK shall be entitled, and the BORROWER shall be obliged, upon the request of the BANK, to provide collateral or establish additional collateral, to its benefit. In case the BORROWER fails to provide an appropriate, at BANK's discretion, collateral within the term specified, the BANK shall be entitled to announce its loan receivables prematurely claimed.

V. PREMATURELY CLAIM

38. The BANK shall be entitled to unilaterally suspend the utilization of amounts under the loan and/or to announce prematurely claim on its receivables under the Loan agreement for principal, interest and other occurred and outstanding monetary obligations under the loan, without notifying the BORROWER/JOINT DEBTOR/GUARANTOR, if:

39. The BORROWER fails to repay on the maturity date any of the amounts /installments/ due;

40. The BORROWER fails to perform any other obligation and/or violates any of the provisions of the loan agreement, the present General Terms and Conditions and the other agreements connected with the loan agreement, as well as any other regulatory provision applicable to the loan agreement;

41. Events occur that exclude or seriously impede the fulfillment of payment obligations of the BORROWER;

42. The BORROWER fails to provide information and documents required by the BANK or fails to provide them in due time, partially or they, entirely or partially, appear to be of false content, not authentic or corrected;

43. The BORROWER becomes insolvent and/or against him/her or his/her property actions of enforced collection are initiated on behalf of third parties;

44. In the cases and pursuant to the provisions of Article 432 of the Commerce Act;

45. Without the prior written notice of the BANK, a decision has been taken for and/or capital decrease has been performed and/or merger, reorganization, transfer of property, liquidation or division of the company of the BORROWER and/or related parties, who at BANK's discretion, may threaten the fulfillment of his/her obligations under the loan agreement concluded;

46. The BORROWER or the pledge or mortgage guarantors perform any activities as a result of which the value of the collateral under the loan agreement decreases, or as a result of which the rights of the BANK are threatened for collecting its receivables under the loan agreement.

47. The BORROWER fails to fulfill his/her obligation to renew the registration of the relevant collateral, provided that according to the legal provisions its validity expires and there are any loan amounts or interest overdue.

48. The BORROWER, the CO-DEBTOR or any related party lays a claim against the BANK.

VI. ENFORCED COLLECTION

49. Upon regular default (more than three times) on behalf of the BORROWER of any of his/her obligations under the loan agreement and/or the present General Terms and Conditions, in case the BANK receives a notice of garnishing the account/s of the BORROWER and/or JOINT DEBTOR with the BANK, or if the BANK considers there is a serious and immediate risk present that the BORROWER may fail to repay his/her loan liability on time, the BANK shall be entitled to block all the accounts of the BORROWER, the JOINT DEBTOR AND any related parties (including payment, deposit, saving, etc. accounts) without any notice and the funds available in them, as well as to withhold all available and incoming funds in order to repay the loan installment on the date of maturity and/or to repay all due amounts (principal, interests, taxes, commissions and costs) upon declaring the loan prematurely due.

50. In case the BANK announces its receivables under the loan prematurely claimed, it shall have the following powers:

- block the accounts of the BORROWER, CO-DEBTOR, GUARANTOR and their related parties their related parties and the funds available in them and initiate premature and enforced collection of its receivables, including all due interest, fees, commission, penalties and principal;



- arrange with the pledged property by selling it without any court interference, subject to the conditions and pursuant to the relevant pledge contract and the legislation applicable thereto;

- obtain writ of execution for its receivables, occurred on the authority of the loan agreement and turn to enforced collection subject to the conditions of the Civil Procedure Code on the collateral and on the rest of the chattel and immovable properties, owned by the BORROWER with a view to satisfaction of its receivables.

51. The BORROWER/CO-DEBTOR/GUARANTOR give their consent that the BANK shall collect ex officio any fees, commissions, penalties, interest and principal, owed by the BORROWER, from the funds in their accounts opened with the BANK: on the maturity date of the relevant liability, as well as the receivables under the loan are announced prematurely claimed and/or for the liabilities of the BORROWER there is a Writ of enforced collection/Writ of execution issued against the BORROWER.

VII. JOINT DEBTOR /CO-DEBTOR/. GUARANTOR

52. The CO-DEBTOR/GUARANTOR under the loan shall be held jointly liable together with the BORROWER. The BANK may require payment of the entire amount of the liability by any of the debtors (BORROWER, CO-DEBTOR, GUARANTOR).

53. The CO-DEBTOR/GUARANTOR shall be obliged to notify the BANK in writing of any changes of the address, specified in the loan agreement by specifying his/her new address in writing. Otherwise, all notices, invitations and communication sent from the BANK to the old address of the CO-DEBTOR/GUARANTOR shall be deemed duly delivered. In case the CO-DEBTOR/GUARANTOR cannot be found at the address specified, which shall be verified by a returned letter with return receipt or two witnesses, the documents shall be deemed delivered with their including in the credit file of the BORROWER.

54. Upon announcing its receivables under the loan agreement for prematurely claimed and with a view to their satisfaction, the BANK shall be entitled to obtain writ of execution against the CO-DEBTOR/GUARANTOR and initiate enforced collection subject to the provisions of the Civil Procedure Code on all his/her movable and immovable property.

55. The CO-DEBTOR shall be entitled to use loans by third parties only after he/she obtains the prior written consent of the BANK.

56. The CO-DEBTOR shall be obliged, upon the written request on behalf of the BANK, to immediately provide current information about his/her property and financial status, as well as he/she shall not assume any obligations which could impede considerably the opportunity of the BANK to collect its receivables under the loan agreement.

57. The JOINT DEBTOR shall have the same obligations as the BORROWER, resulting from the Loan agreement and the present General Terms and Conditions.

58. The BANK shall be entitled to collect the entire amount of the receivable, as well as any part thereof, by initiating collection directly from the BORROWER, the CO-DEBTOR and/or the GUARANTOR at its sole discretion without any limitations.

VIII. ADDITIONAL PROVISIONS

59. Default of any loan agreement, concluded between the BANK and the BORROWER, the CO-DEBTOR and/or the GUARANTOR, and/or their related parties within the meaning of the Commerce Act, as well as in case of default of any loan agreement concluded between "ProLease (Bulgaria)" EAD and the BORROWER, the CO-DEBTOR and/or the GUARANTOR and/or their related parties within the meaning of the Commerce Act, shall be deemed default of any other loan agreement and lease agreement. In case of default of any of the loan or lease agreements, the BANK shall be entitled to announce its receivables under all loans for prematurely claimed.

60. The contents of the loan agreement may be amended only by mutual agreement between the parties, expressed in writing, except for the cases of unilateral changes, specified in the Loan agreement and the present

General Terms and Conditions. In case of any changes in the provisions of the Loan agreement, the BORROWER shall owe fee in amount specified by the valid Tariff of the BANK as of the moment of the relevant change.

61. The BANK shall be entitled to assign its rights and/or obligations under the loan agreement to third parties in conformity with the provisions of Bulgarian legislation. The BORROWER shall be entitled to assign its rights and/or obligations under the loan agreement to third parties only on the basis of a prior written consent of the BANK.

62. In case the BORROWER uses several loans from the BANK at the same time and the amount deposited by him/her is not sufficient to repay all debts, the parties agree that the BANK shall be entitled to choose which one of the liabilities shall be repaid.

63. In case of a dispute, occurred upon or regarding the fulfillment of the agreement, the parties agree to settle it through negotiations, and if reaching agreement appears to be impossible, to bring the issue to the competent court.

64. By signing the loan agreement the BORROWER is deemed informed and agrees on the following: upon receiving a request for providing information by the Ministry of Interior, the Investigating authorities, etc., as well as by the shareholders and creditors of "ProCredit Bank (Bulgaria)" AD, the BANK shall be obliged to provide the required information and documents, and such provision will not be considered violation of the clauses and obligation for non-disclosure. The BORROWER hereby declares his/her consent that the loan agreement and the documents for granting and guaranteeing the loan shall be provided to shareholders and/or creditors of the BANK, as well as he/she shall be obliged to assist and provide access to his/her premises during the performance of an audit/monitoring on their behalf.

65. The BORROWER/CO-DEBTOR/GUARANTOR are informed that the BANK shall be entitled to transfer/discard their personal data to third parties – personal data administrators and by signing the Loan agreement the BORROWER/CO-DEBTOR/GUARANTOR agree and do not object to such disclosure/transferring of their personal data.

66. By signing the loan agreement the BORROWER agrees that the BANK shall send all notifications, invitations, letters to him/her by a letter with return receipt or by putting such correspondence in his/her bank mail. Upon sending a letter, in case the BORROWER cannot be found at the address he/she has specified, which is verified by a returned letter with a return receipt or by two witnesses, all documents shall be deemed delivered by their delivery to his/her bank mail.

67. In case of any discrepancies between the contents of the loan agreement and the present General Terms and Conditions, the clauses of the loan agreement shall apply.

68. The nullity of any clause or a part of a clause under the present agreement shall not result in nullity of the entire agreement, but of the relevant clause only.

69. For any matters not settled by the present agreement, the applicable Bulgarian legislation shall apply.

The present General Terms and Conditions for Loans shall apply to all loan agreements of "ProCredit Bank (Bulgaria)" AD, except for Loan agreements concluded with individuals, covered by the scope of the Law on Consumer Loans.

The present General Terms and Conditions for Loans have been approved by the Management Board of "ProCredit Bank (Bulgaria)" AD on 01.07.2011 and are in effect as of 01.08.2011.