



# General Business and Loan Terms

## Business owner

The General Business and Loan Terms apply to any outstanding account between Finansiel Stabilitet and its clients, unless the parties have expressly agreed otherwise in a separate agreement.

We may amend the General Business and Loan Terms without notice if the changes are to your advantage. Otherwise amendments will be given three months notice. You will be notified of amendments by announcements in newspapers and on our website.

Finansiel Stabilitet is a liquidation company which object is to liquidate non-performing financial institutions.

The Terms and Conditions apply from 10 June 2015.

## 1. Use of Client Information

### a. Collection and use of Client Information

We may obtain information from public registers, such as the Central Office of Civil Registration (the CPR-Office) and the Danish Business Authority, among other things for updating address information and obtain information on deaths.

For the use of credit-rating, we may collect information from Credit Reporting Agencies and Warning Registers.

### b. Disclosure of Client Information

Our employees are bound by Client Confidentiality and must not unjustifiably disclose or exploit confidential information about you. We will only disclose information about your circumstances when we are entitled to it under applicable law, or if you have given your permission.

We also provide information to public authorities when it is a requirement of e.g. the Tax Act.

If you default on your obligations to us, we may report you to the Credit Report Agencies and/or Warning Registers.

We may disclose information if you have given your consent. You may always change your consent or withdraw it by contacting us.

### c. Access to information registered by us

You may always get access to the information we have registered about you. We may charge a fee if you want a written reply.

### d. Errors in our information

If we become aware that there are errors in our information about you, or that the information is misleading, will the information either be corrected or deleted. We notify subsidiaries and others



who have received inaccurate or misleading information.

**e. Complaints about the handling of Client Information**

If you are dissatisfied with the way we handle information etc. about you, you may complain to the Complaints Officer at FS Company or the Danish Data Protection Agency, Borgergade 28, 5, 1300 Copenhagen K.

**f. Promulgations concerning good practice for financial companies**

The promulgations The Danish Ministry of Economic and Business Affairs has issued concerning best practices for financial companies, also applies to FS Finans.

## 2. Power of Attorney, etc.

You may give someone Power of Attorney to act on your behalf in relation to us. This must be made in writing and usually using our Power of Attorney form. The Power of Attorney is valid until you give us written notice of its withdrawal.

If the owner of a personally run sole proprietorship dies, the Power of Attorney will apply until we are notified in writing of the death.

We have the right to freeze loans until the Probate Court has ruled on how the estate should be administered.

## 3. Provisions on deposit and withdrawal

All payments on your loan are subject to us receiving the amount.

The provision applies even if it is not listed on a receipt or other notification of payment.

### **Use of payments**

Any payment on a loan or credit is first used to cover interest and commissions and subsequently to cover repayment.

This applies whether you yourself make the payments or the payments are made by a guarantor or mortgagor.

### **Regulation of Instalments**

We have the right – but not the obligation – to increase the repayments in line with increasing interest rates, commissions or similar.

## 4. Interest Terms

The interest on the individual loans is variable unless you expressly have agreed otherwise with us.

A variable interest rate means we may change the interest rate.



We can reduce or increase the variable interest rates on loans without notice if

- changes in monetary and credit policy in Denmark or abroad affects the general interest level
- other developments in the general interest level, e.g. the money and bond markets are important to us
- changes in taxes and duties affect us.

We may reduce and increase variable interest rates on loans with 14 months notice if

- market conditions form the basis of change to one or more account types
- conditions that were individually taken into consideration when determining your interest rates changes
- We generally changes interest rates and prices for business reasons without it being linked to developments in the general interest level. Business related reasons may be that we want to use its resources more appropriately or to increase revenue or to ensure compliance with the current rules for settlement banks.

You can see our interest rates for individual types of deposits and loans on our website.

We give you notice of changes in interest rates by letter or by advertisements in newspapers. You will also be notified when you get the first account statement after we have announced.

How we calculate the interest:

**a. Payment**

Calculation of interest start at the same time you make a repayment on your loan.

Deposits by paying-in slip are recorded 1day after the Banking Day, and the calculation of interest starts simultaneously.

**b. Transfers**

If you get transfers from another bank, the interest is calculated from the date of entry.

**c. Calculation of interest**

We calculate interest on each loan on a daily basis:

$$\frac{\text{Interest Calculation Balance} \times \text{interest rate} \times 1 \text{ day}}{365 \text{ days}}$$

**d. Payment of interest**

Interest on loans is usually charged on a monthly or quarterly basis and is charged regardless of the amount of interest. The interest is calculated from the day after the interest is registered on the loan.

**5. Charges**

We may charge fees for the services we provide to you and to answer questions about your



circumstances from public authorities, such as tax authorities where we have an obligation to respond.

Fees can be a fixed amount, a percentage or an hourly rate or a combination.

You can see the normal fees on our website.

We may at any time and without notice reduce Fees.

We may change the Fees you pay regularly according to a contract with one month's notice if:

- there are market reasons to change one or more account types
- the factors we took into account when your fee terms were set changes
- we change the general fee structure and pricing due to business reasons. Business related reasons may be that we want to use our resources more appropriately or to increase revenue or to ensure compliance with the current rules for settlement banks.

Under existing contractual issues we may, for business reasons, introduce fees for services that previously have not been subjected to fees. Fees can be introduced with a month's notice. We may always and without notice introduce and increase fees for individual services and generally for new agreements.

We reserve the right to change fees associated with the payment services without notice.

We give you notice of changes in interest rates by letter or by advertisements in newspapers and on our website.

## 6. Overdraft interest and charges added to a reminder etc.

If the loan falls into arrears, we may charge overdraft interest/commission or penalty interest charge for sending out reminders and the cost of legal assistance.

We may at any time for administration and accounting reasons choose stop adding interest to defaulted claims. Such failure to add interest, which is not based on an agreement with you, can not be considered a waiver from us to earn interest on its claim and recover later accrued costs. This applies regardless of whether you have been notified of the accounting by bank statement or similar.

## 7. Set-off

We may without notice set off any overdue debt in any receivable which you have or get from us.

## 8. Financial Close-out

### 8.1 Grounds for Close-out

We may demand Close-out by netting in case of default, cf. Article 11.



## 8.2 Debts which may be covered by netting

Close-out can be made in any current and future commitment (cf. Article 8.3) between you and us that gives the right to:

- cash settlement, including deposits to accounts, rights acquired by transfer from third parties and claims acquired by cheques and bills. Deposits on accounts exempt from prosecution are not included in the Close-out netting. Claims are also included in the Close-out netting to the extent they can be demanded to be paid, including as a result of default or other reasons for settlement according to this or other agreements.
- demands for delivery of securities as defined in the Securities Trading Act § 2 - including the return of securities transferred to us as a mortgage or owning, including the return of non-individualised securities according to agreement on financial security. Return of securities, which alone are in our safekeeping, cannot be included in a Close-out.

## 8.3 Close-out or other agreements

Claims covered by framework agreements between you and us on currency, interest rate, index and securities transactions are settled according these agreements.

## 8.4 Joint Close-out

If the Close-out of obligations under the framework agreements or other agreements coincide with the Close-out according to this provision, can the balances be included in the Close-out under these agreements if we so wish it in a joint Close-out.

## 8.5 Implementation of the Close-out by netting

When we Close-out by netting is the present value of our and your receivables calculated in Danish kroner or other agreed currency. Our and your receivables are offset to form a net balance. Receivables secured by agreement on financial security and other securities are reduced by the proceeds of security realised. The calculated receivables are included in the Close-out.

The present value of our receivables, according to credit facilities, such as loans and credits, is the total unpaid balance as per the statement date including accrued unpaid interest plus any accrued, non-added interest and costs. The statement includes compensation for losses on redemption before time and preliminary calculation of claims according to liabilities which can only be determined at a later stage, such as warranties.

## 8.6 Notice of Close-out

We will notify you of the Close-out. The notification will state the time of the Close-out.

## 8.7 Subsequent regulation

We may subsequently regulate the Close-out balance with

- proceeds from later realised security.
- final calculation of claims according to liabilities which can only be calculated later, such as warranties.
- payments and securities which we later receive in good faith concerning initiated receivership of the debtor or guarantor's estate.
- claims that are subsequently due.

## 9. Our liability



We shall be liable if, due to the fault or negligence we carry out our obligations late or deficient.

Even in areas where there is increased liability, are we not responsible for any loss caused by:

- Breakdown of/lack of access to IT systems or data corruption in these systems that may be attributed to the below events, whether we are or an external supplier is responsible for operating the system.
- Failure of our power supply or telecommunications, legislative or administrative acts, natural disasters, war, riot, civil commotion, sabotage, terrorism or vandalism (including computer viruses and hacking).
- Strikes, lockouts, boycotts or blockades whether the conflict is directed against or initiated by us or our organisation, and regardless of the cause of the conflict. This also applies if the conflict affects only a part of us.
- Other circumstances which are beyond our control.

Our freedom from responsibility shall not apply if:

- We should have anticipated the conditions which cause the loss when the agreement was made or should have avoided or overcome the cause of the loss.
- Under all circumstances, the Law makes us liable for the fact that is causing the loss.

## 10. Governing Law and Jurisdiction

Litigation arising out of relates to or is included in the general business and loan terms can according to our wish be filed in the district court in the jurisdiction where we are located, and Danish law shall apply.

## 11. Defaults and other reasons for settlement

In the following special circumstances we are entitled to terminate the loan without notice and demand the whole debt paid immediately:

- a) If repayments, interest, commissions or redemption is not paid at the appropriate time, and you have not paid 8 days after we have sent reminders to you at our last known address. For credits, this also applies if you overdraw the credit maximum without our permission.
- b) If you are subjected to individual prosecutions in the form of recovery of debt or arrest.
- c) If you stop payments enter into bankruptcy, reorganise, initiates negotiation for debt relief or initiate negotiation for composition.
- d) If you die
- e) If you take up permanent residence abroad and no prior agreement has been made for the loan/credit (continued) settlement.
- f) If you have provided incorrect information when taking out the loan/credit.
- g) If you do not at our request, submit tax returns, annual statement or any accounts.
- h) If you do not at our request get audited annual report, even though you legally are not obliged to do so.
- i) If you change the nature of business substantially, enter into significant new activities or



sell/transfer/pledge the shares/securities.

If the loan is secured by guarantee and the guarantor(s) is/are subjected to one or more of the events referred to in clause b-e the guarantor(s) has/have given incorrect information in order to obtain the loan, we may terminate the loan without notice.

## 12. Termination

Both you and we may at any time terminate the client relationship without notice unless otherwise agreed.

You have the right to an objective justification if we terminate a loan agreement.

We may terminate the guarantee security commitments, including commitments in foreign currency and free ourselves from the other commitments we may have entered into on your behalf when client relations end. You have a duty to release us from all commitments entered into on your behalf and if necessary to provide security for them.

## 13. Complaints

If you wish to complain about us, please contact our complaints officer. Our Complaints Officer is the Legal Department which can be contacted by letter or e-mail at the following address:

Finansiel Stabilitet  
Internt Advokatkontor  
Kalvebod Brygge 43  
1560 København V  
E-mail: [advokat@finansielstabilitet.dk](mailto:advokat@finansielstabilitet.dk)



## TERMS OF CHARGING AND GUARANTEE

### Particulars of guarantee

#### 1. Use of payments

Payment from guarantors is first used to cover interest, provision and costs and subsequently to reduce the otherwise secured debt.

If the loan is partially guaranteed by a surety, are the payments you make first used to reduce the unsecured portion of the debt.

#### 2. Realisation and Recourse

We reserve the right to realise the by you or any third party given security and write off the proceeds according to our wishes. The guarantor has no recourse in such securities.

This entails:

- that we can release other securities for the guaranteed liability without the guarantor's consent.
- that we may use a charge, which also serves as security for other debts than the guaranteed to advance the payment of such claims.

#### 3. Enforcement

If the deposit serves as security for a loan, can the loan document with guarantee serve as the basis for enforcement of the guarantor according to the Danish Administration of Justice Act § 478, Article 1, 5

### Particulars of Security

#### 1. Depreciation of the security

If the security's value depreciates significantly, can we demand that you either extraordinarily reduce the debt/maximum or that you provide additional security to offset the depreciation. Otherwise we may consider the loan/credit as defaulted.

We will not, however, by depreciation of property, require extraordinary reduction or additional security unless the depreciation is due to neglect, if we have mortgages on freehold property.

#### 2. Our rights against the given security

We may use all the debtor's rights over the given security, including receive and sign for any amount according to the given security, terminate and recover, sign for and transfer claims given as securities and mortgages to it self or others.

In exercising these rights, is this document evidence of authority for us also in relation to Registration Authorities.

By charge of stocks, shares and similar, can we solely on the basis of this document exercise all rights that the stockholders and shareholders have under the present Companies Act, the company's statutes, any shareholders' agreements and similar.





If the security covers insurance policy, is the debtor obligated on request to present the proper receipt for the premium's timely payment to us.

If we elect to seek payment in full in the policy's surrender value, we must be entitled thereto without awaiting the notice determined by the Danish Insurance Contracts Act.

We have no duty to seek cover in the given security in advance and we have the freedom of choice as to the use in relation to your total commitment.

### **3. Costs concerning the security**

We may demand payment of fees for effects given in security.

We may also demand payment of our costs to manage our rights as holder of the security, including any costs for payment of insurance premium, valuation of the security, the cost of legal assistance etc.

### **4. Return of the security**

The charge is including interest and dividends of any kind of security, including bonus on life insurance policies, on shares any bonus shares and subscription rights, rents and the like.

We is entitled to, but not obliged (nor in relation to guarantors) to receive interest and dividends from the payment of instalments, interest and costs.

### **5. Notifications**

All notifications that the debtor may receive concerning the given effects, must immediately be submitted to us.

### **6. Return of the security**

If the charged bonds are drawn and others are bought instead of the drawn, we are authorised to request the registration of the charge over them at VP Securities Services.

### **7. Enforcement**

Possible realisation of charges may be effected without prior notice to the holder by foreclosure auction or otherwise as we deem appropriate, including realisation by our own measures.

## **Joint provisions for security and guarantee**

### **1. Respite**

We may, without authorisation from the guarantor or third party, who have given security, give you a respite regarding payment of the instalment, interest, commissions and any costs, in respect of the Financial Business Act § 47 and § 48

### **2. The extent of the Guarantee**

Charges and guarantees serves as security for payment of capital, interest, commissions, court costs and



other costs incurred in connection with the recovery of debts under this Agreement.

The charge also serves as security for any liabilities which you have now or later may have to us.

### **3. Reversal**

If in connection with your bankruptcy etc., as per the Bankruptcy Act Chapter 8, a reversal of additional security is made, which is used for full or partial repayment of the secured claim, is the guarantee liability maintained. The same apply if a payment from you is reversed.

By charge is debtor obliged to restore our lien, regardless of our having released the charge in connection with voidable payments.