

Important information to consider before concluding a consumer loan agreement

Provided herein is information about what your rights and obligations are if you decide to conclude a consumer loan agreement and if a credit amount is transferred into your current account. Please bear in mind that the terms and conditions provided below are not binding. If you conclude a consumer loan agreement, the terms agreed under that specific agreement will apply.

Before concluding a consumer loan agreement, you should:

- (i) familiarise yourself with the risks inherent in the obligations to be assumed – consider whether the consumer loan is, indeed, a credit product which suits your needs and means;
- (ii) make sure you read the terms and conditions of the agreement, including the special conditions of the consumer loan agreement and the standard conditions of the consumer loan, as well as the information sheet;
- (iii) read any other conditions and documents referred to in the conditions of the agreement – e.g. the general conditions of LHV Bank and the principles of processing customer data;
- (iv) determine, among other things, whether you would be able to repay the used credit amount provided under the consumer loan agreement in the case of a decrease in your income or an increase in your obligations.

If necessary, please do not hesitate to contact LHV Finance or an area specialist for explanations, advice or additional information.

Conclusion of the agreement, payment of the contract fee and disbursement of the credit amount

If you have decided to take out a consumer loan, you will need to sign an agreement. The special conditions of the agreement set out the key conditions, including the credit amount, interest rate, contract fee, agreement expiry date and the like. The standard conditions and the repayment schedule and any amendments, supplementations or annexes to the agreement prepared in the future are integral parts of the agreement.

If the agreement has been concluded, the credit amount, less the fee for the conclusion of the agreement, will be transferred into your personal current account within 2 banking days after your identity has been established face to face (unless decided otherwise by LHV Finance).

Withdrawal from the agreement

You will have the right to withdraw from the agreement within 14 (fourteen) days after conclusion of the agreement. To cancel, you have to provide AS LHV Finance with a written withdrawal application at the postal or e-mail address set out in the agreement before the end of the established term.

The exercising of the right of withdrawal means that you will have to repay the entire credit amount used as well as the

interest accumulated up to the day of the repayment straight away, but not later than within 30 days from submission of your notice of withdrawal to AS LHV Finance. Otherwise, you will not be deemed as having withdrawn from the agreement.

Calculation and payment of interest

Interest is the fee to be paid to AS LHV Finance for the use of the credit amount. Interest will be calculated on the unrepaid portion of the credit amount. Interest will be calculated from the conclusion of the consumer loan agreement. Until the first payment due date, the actual number of days in the month and a 360-day year and thereafter a 30-day month and a 360-day year will be used as the basis for calculations.

The interest rate set forth in the consumer loan agreement will be fixed and will depend on the terms and conditions of the particular consumer loan agreement and the price package of the product chosen as well as your personal solvency indicators and previous payment behaviour.

Interest will be paid monthly from the date of the conclusion of the agreement until the last payment due date (excluded) for the repayment of the credit amount under the repayment schedule.

Repayment of the credit amount

You will undertake to repay the credit amount with the interest accruing on it in instalments according to the repayment schedule. To do so, you are requested to conclude an e-invoice standing payment service agreement in favour of AS LHV Finance concerning an account opened and held by you at a credit institution operating in Estonia. You will undertake to ensure that the above account has sufficient funds available (in euros) during the entire term of the agreement so that it can be debited with the amounts payable under the consumer loan agreement.

Should the amounts paid by you prove insufficient for the fulfilment of your obligations, the collection costs of the debt will be deemed as paid in the first order, repayments of the credit amount in the second order, interest due in the third order, and any fine for delay, contractual penalties and other fees or indemnities thereafter. If you have concluded other agreements with AS LHV Finance on the same date, and the payment due date of these agreements falls on the same date, then AS LHV Finance will have the right to consider your less secured obligations as being fulfilled as a priority.

Premature termination of the consumer loan agreement

The consumer loan agreement is concluded for a term of up to 5 years. Premature termination of the consumer loan agreement entails no additional costs for you. If you wish to terminate the consumer loan agreement before the prescribed time, you first have to file a relevant application with AS LHV Finance and then repay the entire credit amount, also any interest assessed on it until the repayment

of the credit amount as well as any other fees under the consumer loan agreement (such as fines for delay, penalties, costs resulting from delayed payments etc.), if any.

If you fail to submit the application, any amounts prematurely paid by you will be considered as an advance payment.

Other costs related to the consumer loan agreement

Upon concluding/amending the consumer loan agreement, you will need to pay a contract fee. When a consumer loan agreement is concluded, the respective contract fee will be deducted from the credit amount disbursed to you.

Information about all of AS LHV Finance's fees and other costs is available at www.lhv.ee.

Amendment of the agreement

You can amend the consumer loan agreement by agreement with AS LHV Finance in writing, provided that the responsible lending principle has been met as at the time of the amendment. Amendments to the consumer loan agreement will entail additional costs for you (such as the consumer loan agreement amendment fee).

AS LHV Finance has the right to unilaterally amend the consumer loan agreement by notifying you at least two months in advance. You will be able to review the amended terms and conditions at the customer offices, website or Internet bank of LHV Bank, or through other channels designated by AS LHV Finance.

You will have the right to not accept the amendment of the agreement and to cancel the consumer loan agreement within the term established by AS LHV Finance. Should you fail to cancel the consumer loan agreement within the above term, it will be deemed that you have accepted the amendments introduced by LHV Finance.

Potential consequences of a breach of the agreement

If you have concluded a consumer loan agreement and breached the terms agreed thereunder for any reason, you may have to pay additional costs:

- (i) fine for delay and/or penalty;
- (ii) debt processing fee (e.g. fee for the preparation of the notice of debt etc.);
- (iii) expenses related to the cancellation of the consumer loan agreement;
- (iv) other costs related to the performance of the consumer loan agreement and any agreements tied to the credit amount agreement (e.g. debt collection costs, legal costs, costs related to the execution proceedings or bankruptcy proceedings).

LHV Bank's price list is available at www.lhv.ee

If you fail to pay an instalment or any other amount payable under the consumer loan agreement or pay it partly, AS LHV Finance will have the right to start assessing a fine for delay on the outstanding amount (except for interest or a fine for delay) from the following date at the rate specified in the consumer loan agreement. The assessment of a fine for delay will end on the date when all the amounts payable have been paid.

Furthermore, AS LHV Finance will have the right to require a contractual penalty in the amount of up to 5% if you have breached any obligation whatsoever laid down in the consumer loan agreement (other than the payment obligation).

Cancellation of the agreement

In certain instances, AS LHV Finance has the right to cancel a consumer loan agreement extraordinarily and without advance notice and require the repayment of the entire credit amount, outstanding interest, contract fee or fines for delays and the fulfilment of any other obligations under the consumer loan agreement.

Among other things, AS LHV Finance may cancel your consumer loan agreement extraordinarily and without advance notice if:

- (i) you have submitted false information when applying for the consumer loan or have failed to disclose any information which is known to you and which is liable to affect your performance of the consumer loan agreement;
- (ii) you have failed to pay in part or at all at least 3 (three) consecutive instalments and also do not repay the debt within two weeks from your receipt of a debt-claim from AS LHV Finance;
- (iii) you do not meet your other obligations under the consumer loan agreement or other agreements concluded with companies in the same group as AS LHV Finance.

Upon expiry of the consumer loan agreement, you will need to repay the entire credit amount used and the accumulated interest. Furthermore, AS LHV Finance will have the right to demand the payment of outstanding fines for delay and penalties as well as fulfilment of other obligations arising from the consumer loan agreement.

How to avoid incurring debts?

When considering applying for a consumer loan and concluding a consumer loan agreement, please bear in mind the information and explanations provided above. The disbursement of the credit amount will result in liability, which always carries the risk of incurring debts. Accordingly, you are requested to consider the above thoroughly and, if you experience any difficulty in meeting your obligations or if you have any other questions in relation to this subject, do not hesitate to contact AS LHV Finance.

Settlement of disputes

All disputes will be settled by agreement where possible. Failing agreement, the dispute will be settled by a court.

You will also have the right to turn to the Consumer Protection Board for the protection of your rights.

For additional information, please contact AS LHV Finance customer support by telephoning 6 800 400 or e-mailing to info@lhv.ee.