

GENERAL FACTORING CONDITIONS
APPLICABLE STARTING WITH 23 SEPTEMBER 2022

This document together with Chapter 1 (*General Provisions*), Chapter 2 (*Special Provisions – Reverse Factoring*) and Chapter 3 (*Special Provisions – "BCR Factoring Express" Platform*) represents the General Factoring Conditions of Banca Comerciala Romana S.A. and form an integral part of the Factoring Agreement entered into between the Factor and the Adherent, respectively it forms an integral part of the Reverse Factoring Agreement entered into between the Factor and the Debtor.

CHAPTER 1 – GENERAL PROVISIONS

1. DEFINITIONS

In these GFC and in the Finance Documents, unless the parties expressly agree otherwise, the following capitalised terms shall have the meaning given below:

"Adherent" means the person who assigns to the Factor a Receivable, in accordance with the Factoring Agreement, as this person is identified under the Finance Documents.

"Affiliate" means, in connection with any person (a) a Subsidiary of that person, or (b) a company (directly or indirectly) controlling that person, or (c) any other Subsidiary of the company mentioned at letter (b).

"Sanctions Authority" means (a) the United Nations Security Council, (b) the European Union, (c) the United States of America, (d) the respective governmental institutions and agencies of any of the foregoing, and (e) any other competent governmental or regulatory authority, institution or agency which administers applicable economic or financial sanctions, restrictive measures or trade embargoes, including, without limitation, the Office of Foreign Assets Control of the US Department of Treasury ("**OFAC**"), the United States Department of State.

"Reference Banks" means three credit institutions, selected by the Factor, having their registered seat within one of the countries members to the Organisation for Economic Co-operation and Development.

"Assigned Invoices List" means the document identifying the Invoices in relation with which Factoring Operations are requested, document which is provided to the Factor in the form and substance made available by the Factor. If the Factor is requested to provide Financing Operations in relation with one or more of such Invoices, the Assignment Invoices List shall also have the value of a financing request with respect to such Invoices.

"Insolvency Event" means any of the following events related to any entity:

- (a) it is in the impossibility or admits its inability generally to pay its present or future due debts ("*imminent insolvency*"), suspends the payment of any of its debts or, due to some current or anticipated financial difficulties, initiates negotiations with one or more of its creditors to reschedule its debt;
- (b) the value of its assets is lower than the value of its liabilities (taking into account its contingent and prospective liabilities);
- (c) a moratorium on any of its debt is declared;
- (d) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (e) becomes insolvent or it is unable to pay its debts, or it does not pay or admits in writing its inability to pay its due debts;
- (f) makes a general assignment, arrangement or agreement with or for the benefit of its creditors;
- (g) requests a restructuring agreement (Rom. *acord de restructurare*), an ad-hoc mandate (Rom. *mandat ad-hoc*) or preventive composition (Rom. *concordat preventiv*) or any other similar proceedings, as set forth under Romanian law or any similar proceeding in its jurisdiction of incorporation;
- (h) institutes or has instituted against it a proceeding seeking a decision of insolvency, judicial reorganisation or winding-up and/or liquidation or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or if a petition for its insolvency is presented, its judicial reorganization, winding-up and/or liquidation;

- (i) it has a resolution passed for its dissolution, judicial reorganization, judicial administration, winding-up or liquidation (other than as result of a consolidation, fusion, merger);
- (j) seeks or becomes subject to the appointment of a judicial/special administrator, liquidator, conservator, receiver, trustee, custodian or other similar official body in relation with it or in relation with all or substantially all of its assets;
- (k) a secured party take possession of all or substantially all of its assets or an execution, sequestration, garnishment, sequestration or other legal process is levied, enforced or sued on or against all or substantially all of its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 15 days thereafter;
- (l) causes or is subject to any event under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified above;
- (m) takes any action, or indicates its agreement to, approval of, or tacit consent in, any of the foregoing acts;
- (n) causes, becomes subject of or it is started against it a procedure of liquidation (Rom. *lichidare*), dissolution (Rom. *dizolvare*), special administration (Rom. *administrare speciala*), special supervision (Rom. *supraveghere speciala*), financial rehabilitation (Rom. *redresare financiara*) proceeding, or causes, becomes subject to or it is started against it any event which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified above.

"Event of Default" means any event or circumstance specified as such in Art. 16 (*Events of Default in relation with the Factoring Agreement*) of Chapter 1 (*General Provisions*) of GFC, respectively in Art. 5 (*Events of Default in relation to the Reverse Agreement. Acceleration*) of Chapter 2 (*Specific Provisions – Reverse Factoring*) of the GFC.

"Assignment of Receivables" means the assignment of Receivables taken into consideration by Art. 2.1 of Chapter 1 (*General Provisions*) of the GFC, whose object is identified in the Factoring Agreement.

"GFC" or "General Factoring Conditions" means these General Factoring Conditions, as further amended and supplemented.

"Client" means any party to any of the Finance Documents, other than the Factor, including, for the avoidance of any doubt, the Adherent, party to the Factoring Agreement, respectively the Debtor, party to the Reverse Factoring Agreement.

"Conditions Precedent" means the documents and evidence identified as conditions precedent and listed in the Factoring Agreement or in the Reverse Factoring Agreement, as the case may be, in form and substance satisfactory to the Factor.

"Factoring Fee" means the fee mentioned under Art. 13 (*Fees and charges*) of Chapter 1 (*General Provisions*) of these GFC.

"Financing Fee" means the fee mentioned under Art. 13 (*Fees and charges*) of Chapter 1 (*General Provisions*) of these GFC.

"Factoring Agreement" means any factoring agreement or arrangement, with or without recourse against the Adherent, as supplemented by these GFC, in accordance with which the Adherent assigns to the Factor certain Receivables and the Factor undertakes to provide to the Adherent one or more Factoring Operations.

"Reverse Factoring Agreement" means any reverse factoring agreement concluded between the Factor and a Debtor in accordance with which the parties establish the terms and conditions under which the Factor shall provide Factoring Operations to the Adherents recommended by the respective Debtor.

"Eligible Contract" means (i) an agreement entered into between the Adherent and an Accepted Debtor and/or (ii) a firm order issued by an Assigned Debtor and accepted by Adherent, based upon which the Adherent is obliged to provide goods, to perform works or services and the Accepted Debtor is obliged to pay the price agreed within that agreement/order.

"Adherent's Account" means the current account of the Adherent opened with Banca Comerciala Romana S.A. or any other bank account identified as such in the Factoring Agreement.

"Collection Account" means the account opened by the Factor in its evidences, in order for the Accepted Debtor to pay any Receivables assigned to the Factor under the Factoring Agreement, as such account is identified in the Finance Documents, being agreed that the Factor has the right to modify, at any moment, the identification details of the Collection Account, notifying the Adherent and to the Debtor in this respect.

"Receivable" means the right of the seller of goods / provider of services / provider of works to receive an amount of money owed by the buyer of the assets / beneficiary of the services or of the works, right which is evidenced through an unpaid Invoice.

"Financed Receivable" means a Receivable assigned under the Factoring Agreement, in relation with which the Factor has provided Factoring Operations, evidenced through a Financed Invoice.

"Conditions Precedent Fulfilment Date" means the date when all the Conditions Precedent have been fulfilled in form and substance satisfactory to the Factor, evidenced through the fact that the Financing Ceiling has been made available for performing Financing Operations for the Adherent. The Adherent has the right to request the Factor to communicate the Conditions Precedent Fulfilment Date.

"Quotation Day" means, in relation to any period for which a value of the Reference Index is to be determined, 1 (one) business day prior to the first day of that period.

"Reference Date" means, as the case may be, any of the following dates:

- (a) the day corresponding to the Financing Date;
- (b) the previous day of the first day of the Grace Period;
- (c) the day corresponding to the Conditions Precedent Fulfilment Date if the Factor has exercised its recourse right, under Art. 7 (*Financing of the Receivables. The Recourse*) of these GFC;
- (d) the day corresponding to the expiry of each successive period of 1 (one) month, 3 (three) months or 6 (six) months (depending on the applicable Reference Period) starting from any of the dates mentioned under letters (b) or (c) above.

"Financing Date" means the date when the Factor finances an Assigned Invoice, as this date is reflected in Factor's records.

"Debtor" or "Accepted Debtor" means the legal entity, party to a business relationship with the Adherent, debtor of the Receivables assigned to the Factor by the Adherent, previously accepted by the Factor, as identified under the Finance Documents.

"Finance Document" means these GFC, the Factoring Agreement, the Reverse Factoring Agreement, the Assigned Invoices, the Accepted Invoices List and any other document which demonstrates the performance of the Factoring Operations by the Factor, the recommendation letter addressed by the Debtor to the Factor with respect to recommending a potential Adherent, any other document designated as a "Finance Document" by the Factor and the Adherent, respectively in case of Reverse Factoring Agreement any other document designated as a "Finance Document" by the Factor and the Debtor, all the notices and requests issued by the Adherent, by the Accepted Debtor or by any other third party to the Factor in connection with the Finance Documents, as well as the notices or communications issued by the Factor to the Adherent or to the Accepted Debtor in connection with the Finance Documents.

"Justifying Documents" means the documents listed as such in the Factoring Agreement.

"Material Adverse Effect" means any present or future event or circumstance (or series of such events or circumstances), including any hardship events or any fortuitous event, or an event having the nature of force majeure which, in the Factor's reasonable opinion, could have a material adverse effect on:

- (a) the business, operations, performance, property, condition (financial or otherwise) of the Adherent or of the Accepted Debtor;
- (b) the ability of the Client to duly perform its obligations under the Finance Documents it is a party to;
- (c) the sudden deterioration of the economic-financial situation of the Adherent or of the Accepted Debtor (such as: losses, overdue payments to suppliers, creditors, banks or other institutions, suspension of payments, the occurrence of an Insolvency Event or of a force majeure event, etc.);
- (d) the validity or enforceability of any rights or remedies of the Factor under the Finance Documents, or the effectiveness or ranking thereof or remedies of the Factor under the Finance Documents.

"EURIBOR" means, with respect to any financing in EURO, (i) the applicable Screen Rate or (ii) for the situations envisaged by the definition, the Replacement Rate. If any of the applicable rates is less than zero, the value of EURIBOR shall be deemed to be zero.

"Factor" means Banca Comerciala Romana S.A., as identified in the Finance Documents.

"Invoice" means the fiscal document covering a payment request for the delivered merchandise or for the works or for services effectively provided.

"Assigned Invoice" means an Invoice in relation with which the Factor provides Factoring Operations and which evidences the Receivables assigned by the Adherent to the Factor, under the Factoring Agreement, as identified in the Assigned Invoices List.

"Financed Invoice" means an Assigned Invoice in relation with which the Factor provides Financing Operations.

"Subsidiary" means in relation to any entity, an entity:

- (e) which is controlled, directly or indirectly, by the first mentioned entity; or
- (f) where more than half of the issued share capital of which is owned, directly or indirectly, by the first mentioned entity; or
- (g) which is the Subsidiary of another Subsidiary of the first mentioned entity,

"Reference Index" means any of the following reference index ROBOR, EURIBOR, Average SOFR (30-days), Average SOFR (90-days) or Average SOFR (180-days), as identified in the Finance Documents.

"Global Limit" means the maximum aggregate amount up to which the Factor provides Financing Operations to all the Adherents recommended by a Debtor, as established under the Reverse Factoring Agreement.

"Litigation" means any judicial action, challenge, objection, claim, dispute, including a refusal to pay or challenge of the debt etc. made by the Adherent or by the Accepted Debtor or by any third party, having as scope or affecting in any other way a Receivable assigned to the Factor, under the Factoring Agreement, irrespective of whether or not a procedure is initiated in front of the judicial or arbitral courts, or in front of any authority having jurisdictional attributions.

"Average SOFR (30-days)" means, in relation to any financing in USD, the compounded average of SOFR over rolling 30 calendar day periods, as this average is published by the Federal Reserve Bank of New York (or any other person which takes over the publication of the Average SOFR (30-days)) and: (a) as displayed on the Reuters screen under SOFR1MAVG=, respectively (b) (if the Reuters screen does not display the Average SOFR (30-days) on the relevant Quotation Date) the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Factor at its request quoted by the Reference Banks in the interbank market, in both cases on the Quotation Day for the offering of deposits in USD for a period equal in length to that Reference Period or (c) for situations envisaged by the definition, the Replacement Rate. If any of the rates applicable as per the above is less than zero, the value of Average SOFR (30-days) shall be deemed to be zero.

"Average SOFR (60-days)" means, in relation to any financing in USD, the compounded average of SOFR over rolling 60 calendar day periods, as this average is published by the Federal Reserve Bank of New York (or any other person which takes over the publication of the Average SOFR (60-days)) and: (a) as displayed on the Reuters screen under SOFR3MAVG=, respectively (b) (if the Reuters screen does not display the Average SOFR (60-days) on the relevant Quotation Date) the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Factor at its request quoted by the Reference Banks in the interbank market, in both cases on the Quotation Day for the offering of deposits in USD for a period equal in length to that Reference Period or (c) for situations envisaged by the definition, the Replacement Rate. If any of the rates applicable as per the above is less than zero, the value of Average SOFR (60-days) shall be deemed to be zero.

"Average SOFR (90-days)" means, in relation to any Loan in USD, the compounded average of SOFR over rolling 90 calendar day periods, as this average is published by the Federal Reserve Bank of New York (or any other person which takes over the publication of the Average SOFR (90-days)) and: (a) as displayed on the Reuters screen under SOFR6MAVG=, respectively (b) (if the Reuters screen does not display the Average SOFR (90-days) on the relevant Quotation Date) the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Bank at its request quoted by the Reference Banks in the interbank market, in both cases on the Quotation Day for the offering of deposits in USD for a period equal in length to that Reference Period or (c) for situations envisaged by the definition, the Replacement Rate. If any of the rates applicable as per the above is less than zero, the value of Average SOFR (90-days) shall be deemed to be zero.

"Administration Operations" means the service provided by the Factor for the purpose of ensuring the evidence of the Receivables assigned by the Adherent under a Factoring Agreement, their management and the monthly delivery to the Adherent of statements with respect to such Receivables.

"Collection Operations" means, without limitation, the measures initiated by the Factor with respect to the collection of the Receivables assigned by the Adherent under a Factoring Agreement, consisting in telephone calls and notifications addressed to the Accepted Debtor and/or the contracting of a debt recovery company.

"Factoring Operations" means any of the following services provided by the Factor to the Adherent, under the Factoring Agreement: (i) Financing Operations, (ii) Administration Operations and (iii) Collection Operations.

"Financing Operations" means the service based upon which the Factor provides to the Adherent the early payment of the Financed Amount, up to the Financing Ceiling and the Financing Percentage.

"Party" or **"party"** means any party to any of the Finance Documents, including the Factor.

"Financing Period" means, with respect to a Financed Invoice, the period of time between the Financing Date and the date of its effective collection by the Factor, irrespective whether the effective collection takes place before or after the relevant Due Date or whether the payment is made by the Accepted Debtor or by the Adherent.

"Grace Period" means, notwithstanding Art. 7 (*Financing of the Receivables. The Recourse*) of Chapter 1 (*General Provisions*) of the GFC, the period designated as such in the Finance Documents, during which the Factor exercises its right to amicably recover the Financed Receivables for which the Due Date has expired without being paid.

"Reference Period" means any period of 1 (one), 3 (three) or 6 (six) months, as identified in the Finance Documents.

"Sanctioned Person" means (a) any individual or entity which is listed on any of the publicly available lists of specially designated nationals and blocked persons, or individuals or persons, entities or groups subject to Sanctions issued by a Sanctions Authority, each as amended, supplemented or substituted from time to time, (b) any individual or entity operating, organized or resident in a Sanctioned Country, (c) any individual or entity which is otherwise the subject of Sanctions, and (d) any individual or entity owned or controlled by, or acting on behalf of any of the foregoing individuals or entities.

"Financing Ceiling" means the maximum limit up to which the Factor can perform Financing Operations in favour of the Adherent, as established under the Factoring Agreement.

"Financing Percentage" means the financing percentage, as established under the Finance Documents.

"Non-Financed Percentage" means the percentage resulted from the difference between 100% and the Financing Percentage.

"Screen Rate" means:

- (a) with respect to EURIBOR, the annual percentage rate determined by the European Money Markets Institute (EMMI) for the respective period;
- (b) with respect to ROBOR, the annual percentage rate determined by the National Bank of Romania for the respective period;

in all cases, as such rate is displayed on the relevant page of the Reuters screen.

"Replacement Rate" means, if any of the reference indexes provided under the Finance Documents is no longer published or, despite publication, no longer complies with the requirements of the Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014, as amended (the **"Benchmark Regulation"**), the reference interest rate in % p.a. that is determined to be its replacement rate by a law or regulation applicable to the Factor or a government measure by an authority having authority over the Factor shall be applied, unless the Parties agree on another reference interest rate. If no such binding rules exist, and no agreement is reached, then the reference interest rate generally accepted for use in the international and/or national loan market for lending transactions in the respective currency shall be used. An adjustment spread that fulfils the requirement that the Replacement Rate should as far as possible replicate the relevant reference index may be added to the replacement rate, regardless of which of the above-specified methods is used (and here consideration shall be given to any developed market practice). Promptly upon becoming aware thereof, the Factor will notify this Replacement Rate to the other Party together with the place and the time of publication. If any of the rates applicable as per the above is less than zero, the value of the Replacement Rate together with the above mentioned adjustment spread shall be deemed to be zero.

"Reassignment" means the operation based upon which the Factor re-transfers to the Adherent the Receivables initially assigned by the Adherent to the Factor under the Factoring Agreement, for which no Financing Operations have been provided.

"RNPM" means the National Register for Publicity related to Movable Assets, public register within the meaning of the provisions of the Romanian Civil Code and of the Romanian Code of Civil Procedure, regulated by the provisions of Law 297/2018, as further amended, or by any other applicable legislation or regulations that may be in force from time to time.

"ROBOR" means, with respect to any financing in RON, (i) the applicable Screen Rate or (ii) for the situations envisaged by the definition, the ROBOR Replacement Rate. If any of the applicable rates is less than zero, the value of ROBOR shall be deemed to be zero.

"Sanctions" means all economic or financial sanctions, restrictive measures or trade embargoes imposed, administered or enforced from time to time by a Sanctions Authority (the laws, rules and regulations pertaining thereto being referred to as the **"Sanctions Laws"**).

"Due Date" means the date when the Accepted Debtor must pay for the assets delivered by the Adherent, respectively for the services or works provided by the Adherent according to the Eligible Contract and/or to the respective assigned Invoice.

"SOFR" means the secured overnight financing rate, administered by the Federal Reserve Bank of New York (or any other person which takes over the administration of that rate), published by the Federal Reserve Bank of New York (or any other person which takes over the publication of that rate).

"Sub-Limit" means the maximum amount, as a sub-limit of the Global Limit, for which the Factoring Agreement shall be concluded with an Adherent recommended by the Debtor under the Reverse Factoring Agreement, reflected in the Factoring Agreement under the "Financing Ceiling" definition. The Sub-Limit may have a maximum value equal to the Global Limit, but the cumulative value of the relevant Sub-Limits cannot exceed the Global Limit.

"Financed Amount" means the amount resulting from applying the Financing Percentage to the nominal value (VAT included) of a Financed Invoice.

"Payment Term" means the period at the expiry of which the Accepted Debtor is obliged to pay the assigned Invoice, according to the Eligible Contract and/or to the respective assigned Invoice, calculated from the issuing date of the assigned Invoice/delivery/reception and until the Due Date.

"Reassignment Term" means a term of 90 calendar days from the Due Date of each Receivable assigned under the Factoring Agreement, for which no Financing Operations have been provided.

"Term for Settling Litigations" means 40 calendar days as of the date when the Litigation has occurred, except for the export factoring, in which case the Term for Settling Litigations is of 80 calendar days as of the date when the Litigation has occurred.

"General Business Terms and Conditions" or **"GBTC"** means general business terms and conditions for legal entities and persons who performed independent activities of Banca Comerciala Romana S.A. (under the form published on Factor's website www.bcr.ro, as such may be amended by the Factor from time to time).

"Sanctioned Country" means, at any time, a country or territory which is the subject of any country-wide or territory-wide Sanctions, at the time of this Factoring Agreement/Reverse Factoring Agreement this includes without limitation North Korea, Iran, Myanmar, Syria, Sudan, South Sudan and Crimea.

"Reduced Value" has the meaning assigned to it under Art. 7.7 of these GFC.

"Universality of Receivables" means all present and future Receivable rights of the Adherent against the Accepted Debtor together with all their accessories arising from all agreements, invoices, firm orders accepted by the Adherent and any other justifying documents, together with all their appendixes and all their presents and future amendments as well as any other Receivables arising from renewals and replacements thereof or agreements similar thereto.

2. SCOPE OF THE FACTORING OPERATIONS

- 2.1. Effective with the signing date of the Factoring Agreement, the Adherent assigns to the Factor, under the provisions of Articles 1566 and the following articles of the Civil Code, (i) all the present and future Receivables owned by the Adherent against an Accepted Debtor, deriving from the Eligible Contract, mentioned in the Factoring Agreement or (ii) the Universality of Receivables owned by the Accepted Debtor against an Accepted Debtor, and, as a result of such assignment, the Factor becomes the creditor of the Accepted Debtor with respect to the such Receivables. As consideration for such assignment, the Factor shall provide to the Adherent Factoring Operations with respect to the assigned Receivables, within the approved limits and under the terms specified in the Factoring Agreement.

- 2.2. In case the payment of the assigned Receivables is made, according to the Eligible Contract, through promissory notes, these promissory notes shall be issued directly in favor of the Factor or the Adherent shall endorse these promissory notes in favor of the Factor, in accordance with the provisions of Law 58/1934, as further modified and of these GFC. The promissory notes shall bear the mention "without protest". In case these promissory notes are issued "in blank":
- (a) they shall be filled-in by the issuer as follows: (1) "issuer's name" section – the name of the issuer; (2) "issuer's IBAN" section – the bank account of the issuer; (3) "issuer's code" section – the sole registration code (CUI) of the issuer; (4) "marked" (Rom. *stipulat*) section – ISSUED IN BLANK, WITHOUT PROTEST; (5) "issuance date" section – the issuance date of the promissory note; (6) "issuance place" section – the issuance place of the promissory note; (7) "issuer's signature" section - the signature of the issuer, (8) "endorsed by" section - the name of the guarantor (Rom. *avalist*); (9) "for" section - the name of the issuer; (10) "guarantor's signature" section – the signature of the guarantor (Rom. *avalist*) or of the authorized representative of the guarantor. The promissory note shall be renewed by the Adherent and, if the case, endorsed (Rom. *avalizat*), every year and transmitted to the Factor with at least 20 days before the expiry of the one-year period as of its issuance date.
 - (b) The Factor may present any such promissory note for payment, in order to recover any uncollected amount from the Financed Amount. In this case, the Factor shall fill in the promissory note as follows: (1) "amount" section – the due amount; (2) "currency" section – the currency in which the due amount is expressed; (3) "to/based on an order from" section – the Factor's name; (4) "the amount represents" section – the amount due in accordance with the Factoring Agreement and (5) "the due date" section – the date when it is submitted for payment. In case the relevant promissory note is not immediately paid in full, the Factor may exercise any of its rights, in accordance with the applicable legislation, including enforcement rights.
- 2.3. In case the Factoring Agreement is "**with recourse**", the Adherent guarantees and shall be liable towards the Factor in case the Accepted Debtor does not pay the Financed Receivables, in full and at the due date, irrespective of the reason for which the payment has not been made.
- 2.4. In case the Factoring Agreement is "**non-recourse / without recourse**", the Adherent shall not liable towards the Factor in case the Accepted Debtor does not pay the Financed Receivables, in full and at the due date, except for the recourse cases mentioned under Art. 7 (*Financing of the Receivables. The Recourse*) of Chapter 1 (*General provisions*) of these GFC.
- 2.5. In order for the Adherent to be able to request the Factor to provide Factoring Operations, the respective Receivables must originate from business activities. For the purpose of performing Factoring Operations, the Adherent shall open with a unit of Banca Comerciala Romana S.A. bank accounts in the currency / currencies of the Factoring Operations.

3. ACCEPTANCE AND NOTIFICATION OF THE ACCEPTED DEBTOR

- 3.1. The Adherent shall present to the Factor for its acceptance the list of Accepted Debtors to whom it has issued the Invoices for which it requests the provision of Factoring Operations, together with copies of the Eligible Contracts based upon which such Invoices have been originated, as well as with any other information or documents that it owns related to the business relationship with the respective Accepted Debtor, including information on overdue amounts, late payments or the current or past litigations with the Accepted Debtor. Moreover, upon the Factor's request, the Adherent shall provide the Factor with any other documents or information in connection with the respective Invoices and Eligible Contracts.
- 3.2. After analysing such information, the Factor shall communicate to the Adherent the list of Accepted Debtors and the Financing Ceiling established for each of these Accepted Debtors.
- 3.3. After the signing date of the Factoring Agreement, the Adherent shall regularly send to the Factor the Assigned Invoices List updated with the issued Invoices.
- 3.4. The Factor is authorized, at any moment, to verify with the Accepted Debtor the existence and the extent of the Receivables assigned under the Factoring Contract.
- 3.5. On the signing date of the Factoring Agreement or on the signing date of an amendment thereto under which the object of the Factoring Agreement is amended by including a new Eligible Contract or a new Accepted Debtor, the Adherent shall notify the Accepted Debtor with respect to the assignment of the Receivables against it to the Factor as well as on the obligation of the Debtor to pay the assigned Receivables in the Collection Account. The notice shall be made in the form attached to the Factoring Agreement, or in any other form agreed by the parties.
- 3.6. The Factor reserves the right to notify each Accepted Debtor with respect to the due date and the payment of the assigned Receivables, under the Factoring Agreement.

- 3.7. The Factor shall register in its favour with RNPM or with any relevant publicity registers, the Assignment of Receivables under the Factoring Agreement, granting the Factor title and a first priority rank in relation with such Receivables.

4. REVOCABLE CEILING

- 4.1. Irrespective of any other contrary provision of the Finance Documents, the Factor is entitled at any time during the entire period of the Finance Documents, irrespective of the occurrence of an Event of Default, without the need to justify any reason and without the fulfilment of any prior procedures or formalities: (i) to suspend, for an unlimited period, the performance of any Factoring Operations (even when the Adherent has already sent to the Factor the relevant documentation and such documentation fulfils the conditions mentioned in these GFC and the Factoring Agreement and/or (ii) to cancel (in full or in part) the Financing Ceiling corresponding to all or to any Accepted Debtor, respectively to cancel (in full or in part) the Global Limit or any Sub-Limit and/or (iii) to terminate the Factoring Agreement and/or the Reverse Factoring Agreement (as the case may be).
- 4.2. Any of the measures taken by the Factor under this Art. 4 (*Revocable Ceiling*) will have immediate effect and the Factor shall notify the relevant Client, using any of the means of notification mentioned by these GFC, with respect to the measure taken according to this article within 15 (fifteen) calendar days as of the date of the relevant measure. In case the Factoring Agreement is concluded under a Reverse Factoring Agreement, the obligation to notify the Adherent belongs to the relevant Debtor without any obligation of Factor in this respect.
- 4.3. The Client has a 15 (fifteen) calendar days period as of the notification date to repay any amounts owned by the Client to the Factor.
- 4.4. In case the Factor decides to take any of the measures mentioned under Art. 4 (*Revocable Ceiling*) above, any payment made by the Accepted Debtor in connection with the Receivables assigned under the Factoring Agreement, including, for the avoidance of any doubt, a payment made in connection with an Invoice for which the Adherent applied a commercial discount, may be allocated by the Factor with priority for discharging the Financed Receivables. Also, in case the Financing Ceiling is cancelled, the future collection of any Financed Receivables shall not replenish the Financing Ceiling, respectively, to the extent applicable, shall not replenish the Global Limit and the relevant Sub-Limit.
- 4.5. In case the Adherent decides to cancel the Financing Ceiling for a specific Accepted Debtor, respectively in case it decides to cancel the Global Limit and/or a Sub-Limit, the Adherent has an obligation to continue to perform the Factoring Operations through the Factor until the Factor confirms that any amount owned by the relevant Accepted Debtor or by the Adherent has been irrevocably paid in full.

5. FINANCING OF THE RECEIVABLES. GENERAL RULES.

- 5.1. For the purpose of financing the Receivables, the Adherent shall submit to the Factor the financing request, represented by the Assigned Invoices List, in form satisfactory to the Factor, as such can be amended from time to time by the Factor.
- 5.2. In order for the Adherent to be able to submit a financing request, the Receivables for which the Financing Operations are requested, must cumulatively meet the following conditions, in the form and substance accepted by the Factor:
- a) must represent commercial obligations of the Accepted Debtor arising from firm sales, provision of services or delivery of works or merchandises towards a person other than an Affiliated Person;
 - b) must not to represent:
 - (i) sales on consignment or deposit, on barter or, in general, any sale under a condition precedent or subsequent;
 - (ii) funds transfer for other purposes, such as, without limitation, dividend payments, loan reimbursements, setoffs, arbitral charges, brokerage incomes or costs, disputed receivables;
 - (iii) payments in advance, cash on delivery, cash on sale, sales or deliveries by companies subject to an Insolvency Event;
 - c) their Due Date has not expired at the date of the financing request;
 - d) have not already been assigned or encumbered in any way in favour of a third party and are freely and unrestrictedly assignable;
 - e) are accompanied by the Justifying Documents provided under the Factoring Agreement.

- 5.3. The financing of the Receivables shall be made by the Factor through the payment in advance of the Financed Amount, in the Adherent Account, up to the Financing Ceiling. The Financing Ceiling has a revolving nature, and is considered replenished as the Receivables are collected. The utilisation and the replenishment of the Financing Ceiling is made based on the nominal value of the Financed Invoices and not based on the Financed Amount.
- 5.4. The Factor reserves the right, during the entire duration of the Factoring Agreement, to modify the Financing Percentage in case the amount effectively collected of the Financed Receivables differs from their nominal value. The decision to modify the Financing Percentage shall have immediate effect and the Factor shall notify the Adherent with respect to this measure within 15 (fifteen) calendar days as of its date.
- 5.5. Upon collection of the Financed Receivables, (i) if the Factor has cashed-in the Financed Invoice in full, the Factor shall credit the Adherent's Account with the amount resulted from the application of the Non-Financed Percentage to the amount effectively collected of the Financed Invoice, respectively, (ii) if the Factor has partially cashed-in the Financed Invoice, the Factor may first retain the Financed Amount, respectively shall credit the Adherent's Account with the difference between the collected amount and the Financed Amount, in all cases, without any request from the Adherent being required, the Factor being entitled to retain any amounts due to the Factor by the Adherent.

6. FINANCING OF THE RECEIVABLES. NON-APPROVAL/REFUSAL OF THE RECEIVABLES FOR FINANCING

- 6.1. The Factor has the right to refuse to perform the Financing Operations with respect to any assigned Invoice in any of the following situations:
- (a) failure to meet any of the conditions provided under Art. 5.2 above;
 - (b) non-conformity of the documents provided with the clauses of the Eligible Contract;
 - (c) Adherent's failure to perform accordingly its obligations under the Eligible Contract (including, but not limited to: the quantitatively and qualitatively inadequate delivery, the assortment nonconformity, the packaging conditions, the used means of transport, the INCOTERMS conditions, etc.);
 - (d) any representations of the Adherent or of any Accepted Debtor are incorrect or incomplete in any way;
 - (e) occurrence, in relation to the Adherent or any Accepted Debtor, of a Material Adverse Effect and/or of Litigations and/or of an Event of Default in relation to any Finance Documents entered by either of the Adherent or the Accepted Debtor with the Factor;
 - (f) existence of any amounts owed to the Factor (i) by the Adherent or (ii) by any Accepted Debtor, and unpaid at their due date, irrespective of the contractual ground of the owed amounts and irrespective if such amount is owed on the same or other contractual relationship than those for which Financing Operations are requested to be provided;
 - (g) the fact that the Financing Ceiling has been exceeded or its availability has expired;
 - (h) delivery of the financing request during the prior notice period in case of unilateral termination or of termination of the Factoring Agreement, respectively the delivery of the financing request after the date the Factor has taken the measures mentioned in Art. 4 (*Revocable Ceiling*) of Chapter 1 (*General Provisions*) of these GFC;
 - (i) impossibility of the Factor to contact the Accepted Debtor, respectively the lack of confirmation (in full or in part) by the Accepted Debtor of the existence and the quantum of any assigned Receivables under the Factoring Agreement, respectively the delivery of a confirmation which is not in line with the Factor's requests (when this confirmation is requested by the Factor) ;
 - (j) in the Factor's opinion, the financing of the Receivables represents or may present a reputational risk for the Factor;
 - (k) any other reason, at the Factor's discretion, without any obligation for the Factor to justify its refusal.
- 6.2. The Factor's refusal to finance the Receivables for which Financing Operations are requested may be sent by the Factor in any form (including by phone or e-mail), being agreed that the non-financing of the Receivables for which Financing Operations have been requested, within 15 (fifteen) calendar days as of the receipt by the Factor of the relevant financing request equals to a tacit refusal of the Factor to finance the relevant Receivables.
- 6.3. In case the Invoices for which Financing Operations are requested exceed the Financing Ceiling established for the relevant Accepted Debtor, no Financing Operations will be performed, but only Administration Operations and Collection Operations, subject to the observance of the terms of these GFC and of the Factoring Agreement. These Invoices shall be financed in the order of their issuance, only to the extent of the Financing Ceiling's release and only if at the date when the Financing Ceiling is released their Due Date has not expired.

- 6.4. In case the Factor accepts to provide Financing Operations with respect to Invoices which exceed the Financing Ceiling established for the relevant Accepted Debtor, the Adherent, starting with that moment, guarantees and is liable towards the Factor for the payment at the Due Date by the Accepted Debtor of any Financed Receivable exceeding the relevant Financing Ceiling, irrespective of the situation of use of the relevant Financing Ceiling at the Due Date.

7. FINANCING OF THE RECEIVABLES. RECOURSE.

- 7.1. This Art. 7 (*Financing of the Receivables. Recourse*) is applicable exclusively to the "non-recourse" Factoring Agreements, given that, in the case of the "recourse" Factoring Agreements the Adherent guarantees and is liable towards the Factor for the payment in full and at the Due Date of the Financed Receivables, irrespective of the reason of non-payment.
- 7.2. The Factor has the right of recourse against the Adherent and it is entitled to request from the Adherent the immediate reimbursement of the relevant Financed Amounts, in any of the following situations:
- (a) financial connections pre-existed or have been established between the Adherent and the Accepted Debtor after the date of the Factoring Agreement, but before the collection of the relevant Invoice, other than the ones reflected by the Financed Receivable, such as shareholding connections, clearings and/or mutual discounts, the relevant parties have become Affiliated Persons and any other such connections, if these would entitle the Debtor to oppose the payment of the Financed Receivable;
 - (b) the Financed Receivable is neither certain and liquid, nor enforceable on the date declared by the Adherent;
 - (c) the Adherent has provided the Factor with inaccurate or incomplete information with respect to the Financed Receivables or with respect to the Accepted Debtor, thus rendering difficult or impossible the collection of the Financed Receivable or determining an increase of the collection expenses or causing losses to the Factor, which would not have occurred correct and complete information would have been provided to the Factor;
 - (d) the Adherent does not provide the Factor with the documents it needs, in the form and within the required term, in order for the Factor to exercise its rights against the Accepted Debtor;
 - (e) the payment of the Financed Receivables has been made by the Accepted Debtor directly to the Adherent and the Adherent did not return the corresponding amounts to the Factor, according to Art. 9.3 of Chapter 1 (*General Provisions*) of these GFC;
 - (f) until the collection of the Financed Receivable, a return (*in Romanian: stornare*) of the Financed Invoice has been made, for the entire value of the Financed Invoice, respectively until the collection of the Financed Receivable, commercial discounts for the Financed Invoices are applied, as detailed in Art. 7.7 below;
 - (g) the failure to pay the Financed Receivable was caused by a force majeure event or by a fortuitous event;
 - (h) the Adherent has breached the laws and regulations applicable with respect to the Financed Receivables or in relation to the legal and commercial relationship which has generated the Financed Receivable;
 - (i) criminal investigation authorities are pursuing an investigation activity in connection with the Financed Receivables;
 - (j) the Financed Receivables are subject to a restrain measure taken by the competent body, such as a confiscation or a seizure;
 - (k) the Assignment of Receivables in favour of the Factor is or becomes effectively or legally inoperative;
 - (l) the Adherent has changed the payment or the delivery conditions of the Eligible Contract without obtaining the prior consent of the Factor;
 - (m) the Accepted Debtor invokes the setoff against the Adherent in relation to the Receivables financed by the Factor;
 - (n) at the date when the Receivable was assigned or at the date of any Assigned Invoices List, the Adherent knew or should have known that an Insolvency Event has occurred with respect to the Accepted Debtor;
 - (o) if, upon the occurrence of an Insolvency Event against the Accepted Debtor, the registration of the Receivable with the list of creditors is not allowed for reasons other than the Factor's own negligence;
 - (p) any situations of fraud or forgery related to the Financed Receivables;
 - (q) the Receivables were financed by exceeding the Financing Ceiling;
 - (r) the Assigned Invoices List was signed or uploaded in the "BCR Factoring Express" Platform by a person other than a legal or conventional representative of the Adherent.

- 7.3. The Factor may exercise its recourse right at any time after any of the situation provided under Art. 7.2 above has occurred. For any other situation which may generate a dispute with respect to the relevant Receivable, the Factor may exercise its recourse right only after the expiry of the Term for Settling Litigations. In relation with the Invoices for which the Factor has exercised its right of recourse against the Adherent, the Adherent shall reimburse to the Factor the Financed Amount in full, together with any accrued fees and/or with any other amounts owed by the Adherent to the Factor, without the Adherent being allowed to invoke any withholding, setoff or other exception.
- 7.4. For the avoidance of any doubt, in case of any Litigation, the Factor has a right of recourse against the Adherent and it is entitled to request to the Adherent to immediately reimburse the Financed Amount if the relevant Litigations are not solved in favour of the Adherent within the Term for Settling the Litigations.
- 7.5. For all the situations when the Adherent owes amounts of money to the Factor, as a result of the Factor's use of its right of recourse against the Adherent, irrespective of their nature, the Factor has the right, without any limitation, to act for the recovery of these amounts from the Adherent's current accounts or deposit accounts denominated in lei/foreign currency and opened with the Factor, and for this purpose the Adherent hereby irrevocably and unconditionally authorizes the Factor to debit any of its current accounts or deposit accounts denominated in lei or in foreign currency, even before the expiry of their term, in order to fully recover the amounts due by the Adherent to the Factor under the Factoring Agreement. In case an account denominated in a foreign currency is debited, the applied exchange rate is the one used by the Factor on the debiting day.
- 7.6. The Receivables in relation with which the Factor has exercised its right of recourse shall be reassigned by the Factor to the Adherent. The Adherent hereby gives its prior written consent with respect to the reassignment of such Receivables by the Factor through unilateral notice of the Factor to the Adherent, no other formality, confirmation, instruction or agreement from the Adherent being necessary. In the case of Receivables for which payment instruments (bills of exchange / cheques / promissory notes) have been endorsed (Rom. *girate*) or issued in favour of the Factor and have not been yet remitted for payment, these instruments shall be endorsed in favour of the Adherent after their reassignment.
- 7.7. If, after the Financing Date of an Invoice, but until its effective collection by the Factor, a commercial discount is applied by the Adherent in favour of the Accepted Debtor, so that the nominal value of that Financed Invoice is reduced (the "**Reduced Nominal Value**"), without decreasing however under the Financed Amount of that Invoice, the provisions of the above Art. 5.5 are applicable. If the Reduced Nominal Value is lower than the Financed Amount of that Invoice, the Factor has a right of recourse against the Adherent for the difference, as per the above Art. 7 (*Financing of the Receivables. Recourse*)

8. ADMINISTRATION AND COLLECTION OF THE RECEIVABLES

- 8.1. The Factor provides Administration and Collection Operations for all the Receivables assigned under the Factoring Agreement, (either financed or not), being agreed that the Factor does not have an obligation to provide Administration and Collections Operations after the expiry of the Reassignment Term applicable to the unpaid Receivables in relation with which no Financing Operations have been provided.
- 8.2. The Factor shall process the collections only after the relevant elements are identified, respectively: the Adherent, the Accepted Debtor, the paid Invoice. In this respect, the Adherent hereby agrees that the Factor is entitled to request and to receive from the Accepted Debtor the details of the payments made by it. Moreover, if the Adherent holds such information, it shall provide them to the Factor without delay.
- 8.3. In case the payment is not received until the Due Date, the Factor shall initiate the performance of the Collection Operations. In this case, the Adherent undertakes to cooperate with the Factor, including by providing the Factor with all the necessary assistance and information and documents capable of facilitating its Collection Operations.
- 8.4. The means to apply these Collection Operations is unilaterally established by the Factor. All the expenses generated by the Collection Operations are fully borne by the Adherent, irrespective of whether the relevant Receivables have been recovered or not. During the Collection Operations, the Factor has full authority with respect to the assigned Receivables and, especially, the right to negotiate the payment of these Receivables, either financed or not.
- 8.5. The Receivables, which were not subject to Financing Operations and which have not been collected by the relevant Due Date can be reassigned by the Factor to the Adherent, at any moment in time after the relevant Due Date.
- 8.6. **Payment allocation.** The Factor shall allocate the collected amounts in the order in which the payment of the Receivables have been made by the Accepted Debtor and not in the aging order of the owed Receivables.

- 8.7. As an exception to Art. 8.6 above, (i) with respect to the unpaid Financed Receivables which are under the recourse situations mentioned by the above Art. 7 (*Financing of the Receivables. Recourse*) or (ii) in case the Accepted Debtor does not mention which Receivables are paid, the Factor shall allocate the collected amounts in the aging order of the owed Receivables.
- 8.8. The Factor shall credit the Adherent's Account with (i) the amounts collected from the payment of the assigned Receivables, but not financed by the Factor, respectively with (ii) the amounts collected by the Factor after the reassignment of the relevant Receivables to the Adherent and in all the cases, the Factor is entitled to retain the Financed Amount as well as any amounts due to the Factor by the Adherent.

9. EVIDENCE OF THE FACTORING OPERATIONS

- 9.1. The evidence of the Factoring Operations is entirely the Factor's responsibility.
- 9.2. For appropriate evidence, the parties agree that the Factor is entitled to open the records and accounts it deems necessary and to organize such records that are sufficient for reaching the scope of the Factoring Operations. The Factor shall issue to the Adherent on a regular basis or upon request, statements of account and satisfactory explanations with respect to the account operations and the amounts standing to these accounts.
- 9.3. Based on the contractual documents concluded between the Adherent and the Accepted Debtor, the Adherent must ensure that all the payments due by the Accepted Debtor are made in the Collection Account. If, contrary to such obligation, the Accepted Debtor pays in other account than the Collection Account, the Adherent shall transfer these amounts to the Collection Account immediately, but no later than the following business day after the receipt of payment, in full and without any withholding or set-off.

10. MOVABLE MORTGAGE. SET-OFF

- 10.1. In order to secure the fulfilment of its obligations under these GFC and the Factoring Agreement, the Adherent creates, at the signing date of the Factoring Agreement, in favour of the Factor a movable mortgage on the bank accounts mentioned under the Factoring Agreement and on the moneys standing to the credit of such bank accounts, bank accounts over which the Factor has control as provided under article 2410 of the Civil Code.
- 10.2. In addition to any security created by the Adherent under the Factoring Agreement and without affecting any such security, in order to secure the fulfilment of the Debtor's obligations under these GFC and the Reverse Factoring Agreement, the Debtor creates, at the signing date of the Reverse Factoring Agreement, in favour of the Factor, a movable mortgage on the bank accounts mentioned under the Reverse Factoring Agreement and on the moneys standing to the credit of such bank accounts, bank accounts over which the Factor has control as provided under article 2410 of the Civil Code.
- 10.3. The breach by the Client of its obligations under these GFC and under the Finance Documents to which it is party, entitles the Factor to debit the mortgaged bank accounts of the relevant Client with the amount outstanding herein and to set-off totally or partially, as the case may be, the account credit balance with the mortgaged amount. For this purpose, the Factor shall debit the balance of the account and shall perform first the set-off of accounts having the same currency as the owed amounts and, to the extent that they are not sufficient, shall debit the balance of and set-off the other accounts. Therefore, the Client authorizes the Factor to perform in the name and on its account, within the limit of any amount owed under these GFC and the Finance Documents to which it is party, any foreign exchange transaction and sign the bid order on the foreign exchange market for converting the proceeds resulted from the enforcement of the movable mortgage into the currency of the Factoring Agreement or of the Reverse Factoring Agreement (as the case may be) at the Factor's exchange rate, if the currency of the Factoring Agreement or of the Reverse factoring Agreement (as the case may be) is different than the currency of the bank accounts.
- 10.4. The movable mortgage created in accordance with this Art. 10 (*Movable Mortgage. Set-off*) shall be in force until the full payment of the amounts owed by the Client under and in relation to these GFC and the Factoring Agreement, respectively the Reverse Factoring Agreement, plus any relevant interest, costs and fees, including any expenses incurred for the recovery of all amounts due and the legal costs, including the enforcement costs.
- 10.5. Notwithstanding the validity of the mortgage as set forth above, the Factor may, to the extent permitted by the law, to set-off (i) any amount owed by the Factor to the Client, whether or not due, (ii) any due amount that is owed by the Client to the Factor under any Finance Document, irrespective whether the Factor has requested the Client to pay that amount and irrespective of the currency or the place where the relevant payment is made. The Factor shall be entitled, to the extent permitted by the law, to deduct from the available amount any taxes, commissions, fees, expenses or other amounts due and payable at that time by the Client to the Factor under any Finance Document.
- 10.6. For this purpose, the Client authorizes the Factor to:

- (a) automatically debit its current accounts or deposit accounts (even before their maturity) in RON or in any foreign currency with any amounts owed under the Finance Documents to which it is a party;
 - (b) perform, in the name and on the Client's behalf, any transfer or exchange operation at the exchange rate of the Factor.
- 10.7. For the avoidance of any doubt, the performance of any of the operations mentioned by this Art. 10 (*Movable mortgage. Set-off*) represents a right of the Factor and not its obligations, and it can be performed without any additional formalities.

11. Fees and costs

11.1. As consideration for the performance of the Factoring Operations, the Factor is entitled to receive the following fees, as provided under the relevant Finance Documents:

- (a) The Factoring Fee is:
 - (i) calculated as a flat percentage applied to the nominal value of the Invoices Assigned, plus a fixed amount owed for each Assigned Invoice, and
 - (ii) payable at the date when the Factor processes the Assigned Invoices List.
- (b) The Financing Fee is:
 - (i) owed for the entire Financing Period, and with respect to each Financed Invoice;
 - (ii) calculated daily, based on a 360 days year, and payable as follows:
 1. for the period between the Financing Date (inclusively) and the Due Date (exclusively): as an annual percentage applied to the Financed Amount of the relevant Invoice. The fee is payable in advance, on the Financing Date. If a Financed Invoice has been effectively cashed-in before its Due Date and the Receivable evidenced by the said Invoice has not been affected by any retention / set-off / reduction / penalty, the Factor shall return to the Adherent the Financing Fee calculated for the period between the date of payment or the date of each payment (in case of multiple payments) and the Due Date of the relevant Invoice;
 2. for the period between the Due Date (inclusively) and the last day of the Grace Period (exclusively): as an annual percentage applicable to the uncollected value from the Financed Amount of the relevant Invoice. The fee is payable (i) on the last day of each calendar month following the Due Date or (ii) on the day when the Financed Amount has been effectively cashed-in or on the last day of the Grace Period, as the case may be;
 3. (if, in accordance with the Factoring Agreement, this Fee is owed by the Adherent) for the period between the last day of the Grace Period (inclusively) and the date when the Financed Receivable was effectively cashed-in (exclusively), but not more than 90 calendar days as of the first day of the Grace Period: as an annual percentage applicable to the uncollected value from the Financed Amount of the relevant Invoice. The fee is payable (i) on the last day of each calendar month following the last day of the Grace Period and (ii) on the date when the Financed Amount is effectively cashed-in or on the expiry of a 90 calendar days period calculated from the first day of the Grace Period, as the case may be.
 4. (if, according to the Reverse Factoring Agreement, this Fee is owed by the Debtor) for the period between the last day of Grace Period (inclusively) and the date when the Financed Receivable has been cashed-in (exclusively): as an annual percentage applied to the uncollected amount of the Financed Amount of the relevant Invoice. The fee is payable (i) on the last day of each calendar month following the last day of the Grace Period and (ii) on the date the Financed Amount is cashed-in.
 5. applicable to the Financed Receivables, unpaid by the Accepted Debtor, in relation with which the Factor has exercised its right of recourse under the Art. 7 (Financing of the Receivables. Recourse) of Chapter 1 (General Provisions) of these GFC, for the period between the date the Factor has exercised its recourse right (inclusively) and the collection date of the Financed Amount (exclusively): as an annual percentage applied to the uncollected amount of the Financed Amount of the relevant Financed Invoice. The Fee is payable (i) on the last day of each calendar month following the day the Factor exercised its recourse right and (ii) on the collection date of the Financed Amount.

The Financing Fee is variable, depending on the Reference Index corresponding to the relevant Reference Period. The quotation of the Reference Index corresponding to the relevant Reference Period is established and subsequently amended on each Reference Date, using the quotation of the Reference Index corresponding to the relevant Reference Period as of the Quotation Date. The Financing Fee shall not be returned in case of refinancing of the Financing Operations.

- (c) The fee for granting/extending/increasing the Financing Ceiling (i) is calculated as a flat percentage applied to the Financing Ceiling which has been granted/extended/increased by the Factor and (ii) is payable on the Conditions Precedent Fulfilment Date.
 - (d) Accepted Debtor analysis fee is: (i) a fixed amount calculated for each Accepted Debtor; and (ii) is payable on the on the Conditions Precedent Fulfilment Date.
- 11.2. All the fees related to the Factoring Operations are payable by directly debiting the accounts of the Client opened with the Factor or by withholding from the Financed Amount or from any other amounts owed to the Client.
- 11.3. In addition to the fees owed to the Factor, the Client bears the taxes, duties (if any) and any other costs caused by the Factoring Operations performed under these GFC and the Finance Documents to which it is party, at the date of their performance, including the usual costs for executing payments/collections, taxes, fees, stamps and costs in connection with recovering the due amounts, court costs and as well as the expenses caused by the registration with RNPM of any Finance Documents, of the Assignment of Receivables and of any other security related to the Finance Documents. These fees are calculated according to the specifications of third parties and are collected once or periodically, depending on the fee type and specifications of third parties.
- 11.4. VAT is applicable on all the fees, expenses and costs related to the Factoring Operations, in accordance with the applicable legal provisions in force on the relevant date.

12. REPRESENTATIONS AND WARRANTIES OF THE CLIENT

- 12.1. The Client, for itself, makes the representations and warranties set out in this Art. 12 (*Client's Representations and Warranties*) to the Factor, respectively the Adherent makes, for the Accepted Debtor, the following representations and warranties to the Factor and acknowledges that these representations and warranties were essential for the Factor when entering into the Finance Documents.
- (a) **Status.** It is a company, duly incorporated and validly existing under the laws of its jurisdiction of incorporation.
 - (b) **Power and authority.** It has the power to duly enter into, deliver, exercise the rights and perform its obligations under the Finance Documents and has taken all necessary action to authorize its duly entry into and performance of each of the Finance Documents and the transactions contemplated thereunder.
 - (c) **Binding obligations.** The obligations expressed to be assumed by the Client in each Finance Document are legal, valid, binding and enforceable obligations and effective against it.
 - (d) **Non-conflict with other obligations.** The entry into and performance by the Client of the Finance Documents and of the obligations contemplated by and the creation by the Client of the security mentioned in the Finance Documents, do not and will not conflict with (i) any law or regulation applicable to it; (ii) its constitutional documents or (iii) any agreement or instrument binding upon it or any of its assets.
 - (e) **Harmful acts.** For the purpose of Article 1.221 of the Romanian Civil Code, the Client confirms that it has the necessary experience and knowledge to enter into and evaluate any Finance Document to which it is party and it is not in a state of need.
 - (f) **No Default.** No Event of Default is continuing or might reasonably be expected to result from the making of any Factoring Operation. No other event or circumstance is outstanding which constitutes a default under any other agreement or instrument which is binding on the Client or any of its assets and which might have a Material Adverse Effect.
 - (g) **No Insolvency event.** There is no Insolvency Event with respect to either the Adherent or the Accepted Debtor.
 - (h) **Financial Statements.** The financial statements of the Client provided to the Factor have been prepared according to the generally accepted accounting principles, standards and practices in Romania and are consistently applied and accurately present its financial condition at the reference date, and starting with such date there is no material adverse change and no material adverse change continues to exist in its commercial or financial standing or in its business.

- (i) **No misleading information.** Any information provided to the Factor by the Client or on its behalf in connection with the Finance Documents and its business or otherwise delivered during the Factor's analysis process was true and accurate under all material aspects, at the date they were provided. The Client confirms that it has not provided to the Factor and has not omitted to, partially or fully, provide information which by their nature are misleading or present an erroneous situation in connection with any aspect of the contractual relation with the Factor or with third parties. Each document provided in copy to the Factor, is correct, complete and effective and has not been subsequently modified or replaced.
 - (j) **Title over Receivables.** The Adherent is the exclusive owner of the Receivables assigned under the Factoring Agreement and these were not previously transferred/assigned (neither under a sale nor a guarantee/security agreement), respectively they were not encumbered with any charge. The Adherent has the right to assign these Receivables and, until the date of the Assignment of Receivable, no termination cause of the Receivables has occurred.
 - (k) **No Litigation.** There is no Litigation with respect with the Receivables assigned under the Factoring Agreement.
 - (l) **Fulfilment of Obligations.** The Adherent has legally fulfilled all its obligations under the Eligible Contracts.
 - (m) **No sanctions.** None of the Client, or any of its affiliates, or any of their directors, officers, agents or employees: (i) is, or is owned or controlled by, or acting on behalf of a Sanctioned Person; or (ii) has engaged in any activity that could reasonably be expected to result in it being designated as a Sanctioned Person; or (iii) has violated, or taken any action, that would result in a violation of Sanctions Laws; or (iv) conducts business with a Sanctioned Person.
- 12.2. The representations under this Art. 12 (*Client's Representations and Warranties*) are deemed to be made by the Client on the signing date of the Factoring Agreement, respectively, as applicable, on the signing date of the Reverse Factoring Agreement and, subsequently, are deemed to be repeated (by reference to the facts and circumstances then existing) on each day the Finance Documents are applicable, but not earlier than the date when all the amounts due to the Factor under any Finance Document have been irrevocably paid in full.

13. UNDERTAKINGS OF THE ADHERENT

- 13.1. Until the date all the amounts owed to the Factor under any Finance Document (including, if applicable, under any Reverse Factoring Agreement) have been fully and irrevocably paid, the Adherent hereby undertakes, irrevocably and unconditionally, to duly and timely perform the following obligations and it acknowledges that the fulfilment of these obligations were essential for the Factor when entering into the Finance Documents:
- (a) to immediately inform the Factor with respect to any payment received directly from the Accepted Debtor in relation with the Receivables assigned to the Factor;
 - (b) to apply on the Invoice a mention of its assignment to the Factor and to notify the Accepted Debtor in writing on the assignment of the Receivables it has against the latter, under the terms and conditions of the GFC and of the Factoring Agreement;
 - (c) to make available to the Factor, as soon as requested, all the required documents and information, in the form they have been requested;
 - (d) to take all measures for the amicable settlement of any Litigation that might occur between it, the Accepted Debtor and/or the Factor;
 - (e) to take all necessary or recommendable measures in order to preserve the Factor's rights over the Receivables assigned under the Factoring Agreement and to ensure their payment by the Accepted Debtor;
 - (f) to make available to the Factor: (i) as soon as it becomes aware of it, details on any Litigation pending or threatening against it, and (ii) immediately upon the Factor's request, any other information on its financial status, its business and operations (including, but without being limited to, the list of supplies and inventory assets);
 - (g) to fully observe all the applicable laws, if their breach might have a Material Adverse Effect;
 - (h) to immediately notify the Factor with respect to all the facts and circumstances that it suspects or it became aware of and which might have a Material Adverse Effect;
 - (i) not to allow the subsistence of any guarantee, lien, privilege or any other similar rights over the assigned Receivables;
 - (j) not to enter into any merger, amalgamation, demerger or corporate restructuring without informing the Factor;
 - (k) not to make any amendments to the Eligible Contracts or its agreements/covenants concluded with the Accepted Debtors from which the Universality of Receivables results, which lead to amendments to the existence or amount of the assigned Receivables under the Factoring Agreement without the prior notice of the Factor; and

- (l) In relation to Sanctions:
- (i) the Adherent shall not cause or permit all or any part of the proceeds of the Factoring Agreement/Reverse Factoring Agreement to be used, directly or indirectly, to make a loan or other advance (a) to invest in or contribute to or otherwise finance or support the activities or business of a Sanctioned Person, or (b) in any other manner that would result in a violation of any Sanctions Laws;
 - (ii) the Adherent shall (and the Adherent shall ensure that its affiliates shall) not engage in any transaction, activity or conduct that could violate Sanctions Laws or cause it to become a Sanctioned Person;
 - (iii) the Adherent shall (and the Adherent shall ensure that its affiliates shall) institute and maintain policies and procedures designed to promote and achieve continued compliance with all Sanctions Laws, and
 - (iv) the Adherent shall, to the extent legally permitted, promptly upon becoming aware of it, supply to the Factor details of any claim, action, suit, proceeding or investigation against it or any of its affiliates, or any of their directors, officers, agents or employees in connection with any Sanctions.

14. EVENTS OF DEFAULT IN RELATION WITH THE FACTORING AGREEMENT

- 14.1. Each of the events and situations mentioned under this Art. 14 (*Events of Default in relation to the Factoring Agreement*) is an Event of Default:
- (a) the Adherent or the Accepted Debtor fails to pay when due any amount it owes to the Factor under any document, in all cases, at the place and in the currency established for payment;
 - (b) any representation made or deemed to be made by the Adherent under the Finance Documents or in any other document provided by or on behalf of the Adherent under or in connection with any Finance Document is or proves to have been inaccurate or misleading in any material respect when made or deemed to be made;
 - (c) the Adherent does not comply with any other provision of the Finance Documents, respectively the Adherent or the Accepted Debtor fails to comply with any provisions of any other contracts concluded between any of them, acting in any capacity, and the Factor;
 - (d) any fact and circumstance which, on the Factor's reasonable opinion, might have a Material Adverse Effect;
 - (e) any Finance Document is not, or the Adherent or the Accepted Debtor denounces or claims it not to be binding or enforceable against it;
 - (f) the Adherent is concentrating its sales on a single debtor or on a reduced number of debtors;
 - (g) the occurrence of any recourse case under Art. 7 (*Financing of the Receivables. Recourse*) of Chapter 1 (*General provisions*) of these GFC.
- 14.2. At any moment after the occurrence of an Event of Default, without any notice and without any prior formality or intervention of any court, the Factor shall be entitled, effective immediately:
- (a) to suspend, for an unlimited period, the performance of any Factoring Operations in its relationship with the Adherent, including, for the avoidance of any doubt, in connection with the Receivables listed in the Assigned Invoices List sent or received by the Factor before or after the occurrence of the relevant Event of Default; and/or
 - (b) to cancel, in full or in part, the Financing Ceiling for any of the Accepted Debtor, at which moment such ceiling shall be immediately cancelled and no subsequent Invoice shall be financed by the Factor, and/or
 - (c) to declare all the amounts owed by the Adherent to the Factor as immediately due and payable, at which time it shall become (i) due and payable on demand or (ii) immediately due and payable immediately, without further notice, statement, claim or objection of any kind, and the Adherent waives such formalities; and/or
 - (d) to exercise any or all of its rights, remedies and powers under the Factoring Agreement, including the right to enforce any security mentioned within the Factoring Agreement.

15. AMMENDMENTS

- 15.1. No amendment to the Finance Documents (except for these GFC for which the below Art. 15.2 is applicable) shall be effective unless it is drafted in writing and signed by the Factor and the Client which is a party to the relevant Finance Documents.

- 15.2. The Factor may at any time unilaterally amend these GFC, and such amendment shall be effective starting from the date they are published on the Factor's website (www.bcr.ro). The GFC in force at the signing date of each Factoring Agreement or each Reverse Factoring Agreement, respectively in force on the signing date of each additional act thereto, shall be applicable to such Factoring or Reverse Factoring Agreement, as amended from time to time.
- 15.3. Whenever a forbearance of any amounts owed under the Finance Documents occurs, as defined by the internal policies of the Factor, the Factor has the right to review the agreed forbearance measures if the Client's situation improves, and more favourable conditions for the Factor (with regard to the forbearance or the original contractual conditions) can therefore be established. For this purpose, the Parties shall agree through the contractual document implementing the forbearance measure both the specific changes to the forbearance measure to be applied as a consequence of specific improvements in the Client's situation and the strict consequences, such as a requirement for additional collateral, in case the Client fails to comply with the forbearance agreement.

16. UNILATERAL TERMINATION

- 16.1. In addition to any termination cases of the Finance Documents mentioned by these GFC, the parties have the right to unilaterally terminate the Finance Documents, at any time during their existence, with a 30 (thirty) calendar days prior notice.
- 16.2. Effective with the termination date of the Factoring Agreement or of the Reverse Factoring Agreement, as the case may be and irrespective of the termination reason, the Client shall no longer have access to the "BCR Factoring Express" Platform.

17. FINAL PROVISIONS

- 17.1. **Extension of term.** Unless otherwise provided, if the last day of any term or period mentioned in these GFC or in the Factoring Agreement, respectively in the Reverse Factoring Agreement, as the case may be, is a non-business day, the relevant term or period shall be extended until the next business day.
- 17.2. **No waiver.** No failure to exercise, nor any delay of a party in exercising any right under these GFC and/or any Finance Document shall operate as a waiver. No partial exercise of any right shall prevent any further or other exercise of that right or of any other right. The rights or remedies provided under any of the Finance Documents are cumulative and not exclusive of any rights or remedies provided by law.
- 17.3. **Limitation of liability.** Neither the Factor, nor any of its agents, directors, officers, employees, delegates or consultants shall be held liable for any claim, request, liability, loss, damage, cost or expense related to or arising in connection with, the exercise or the intent to exercise any rights, powers and remedies provided in any of the Finance Documents (including and for avoidance of any doubt, the right to refuse any financing, to exercise the recourse right, the right of unilateral termination, the right to invoke an Event of Default), except for gross negligence or intent.
- 17.4. **Entirety of the Agreement and Invalidity.** The Finance Documents, as supplemented by these GFC, represent the will of the parties to be bound by all their clauses and contain all the agreements between the parties with respect to the aspects referred herein, and there is no prior agreement in connection with the GFC. If at any time any or more provisions of any of the Finance Documents is or becomes illegal, invalid or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions of that Finance Document shall not be in any way prejudiced or affected and, if necessary for this purpose, the invalid, illegal or unenforceable provisions shall be deemed to be omitted from the respective Finance Document.
- 17.5. **Transfer.** The Client shall not assign, novate or otherwise transfer all or any part of its rights or obligations hereunder or under any other Finance Document. The Client agrees that the Factor is entitled to assign, novate, transfer or otherwise dispose of all or any part of its rights and obligations under the Finance Documents. To the maximum extent permitted by law, this provision is deemed to constitute prior consent (Rom. *consimtamant anticipat*) on such transfer of rights and/or obligations, within the meaning of Article 1315 and 1317 of the Romanian Civil Code.
- 17.6. **Non-applicability of Force Majeure.** The Client expressly agrees not to seek to rely on any event qualified under Romanian law as force majeure (Rom. *forta majora*), fortuitous case (Rom. *caz fortuit*) or hardship (Rom. *impreviziune*) in connection with the impossibility of performance of any obligation undertaken under any Finance Document.
- 17.7. **Notices.** Any notice, agreement, offer, request, communication or correspondence or document under or in connection with the Finance Documents may be delivered by mail (registered letter, certified by a confirmation of receipt), facsimile, e-mail or directly to the party to which it is addressed and shall only be effective:
- (a) if by way of facsimile, when received in legible form, certified by a confirmation of receipt;

- (b) if by way of e-mail, only when actually received (or made available) in readable form, provided that if it is received after 17:00 o'clock, such email shall become effective against the Factor on the following business day; or
- (c) if by way of registered letter, when it has been left at the relevant address or 5 (five) business days after being deposited in the post, postage prepaid, certified by a confirmation of receipt, in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under the Factoring Agreement or Reverse Factoring Agreement, if addressed to that department or officer and, in case of any Factor, if a particular person or address is specified as part of its address details provided under the Factoring Agreement or Reverse Factoring Agreement, as the case may be, if addressed to that person or address or any substitute address, email or fax number or department or officer as the Party may notify to the other Party by not less than 5 (five) business days' notice at the addresses, emails and fax numbers mentioned above.

17.8. **Convention on evidences.** By signing the Factoring Agreement, respectively by signing the Reverse Factoring Agreement, the parties expressly agree that the documents made or concluded under the Finance Documents (including, but not limited to the Assigned Invoices List) and delivered to the other party in copy, either directly, either by mail or by way of facsimile or e-mail in accordance with the above Art. 17.7 (*Notices*) have the same probative force as an original. For the avoidance of any doubt, this clause represents a convention on evidence in accordance with Article 256 of the Civil Procedure Code.

17.9. **Disclosure of information.** The Client agrees that the Factor may disclose and deliver (and shall be deemed to have a legitimate interest to deliver or disclose) to the Debtor (in case of information sent by the Adherent, under the Factoring Agreement concluded under a Reverse Factoring Agreement), respectively to any of its Affiliates and/or:

- (a) to any other third party (or through) whom the Factor assigns or transfers (or may potentially assign or transfer) all or any of its rights and obligations under any Finance Documents; and/or
- (b) to any other third party with (or through) whom the Factor enters into (or may potentially enter into) any sub-participation in relation to, or any other transaction under which payments are to be made by reference to any Finance Documents; and/or
- (c) to any other third party to whom, and to the extent that, information is required to be disclosed by any applicable law or regulation; and/or
- (d) to any third party services providers for purpose of developing, testing and using IT and other systems that would enable optimisation of the banking services;
- (e) to any third party, if an Event of Default has occurred;

any information and documents referring to the Adherent, Debtor or any Finance Document (including without limitation, a copy of the Factoring Agreement, any information and documents referring to the Client's business, assets, transactions, financial standing and prospects and business relationship, and any other information and documents deemed "banking secret" for the purposes of article 111 and the following, of the Government Emergency Ordinance No. 99/2006 on credit institutions and capital adequacy, as further amended), to the extent necessary for the protection, preservation or realization of any rights of the Factor under or in connection with any Finance Document.

17.10. **Survival of the agreement.** Notwithstanding the previous provisions and/or the provisions of the Finance Documents, the Factoring Agreement, respectively the Reverse Factoring Agreement, as supplemented by these GFC, shall not terminate earlier than the date when all the Adherent's or Accepted Debtor's obligations towards the Factor resulting from the performance of the Factoring Operations were definitively and irrevocably fulfilled.

17.11. **Applicable law.** These GFC and any other Finance Documents (including, for the avoidance of any doubt, the Factoring Agreement and the Reverse Factoring Agreement) shall be governed by and construed in all respects in accordance with Romanian law.

17.12. **Jurisdiction.** The competent courts of Romania from the Factor's headquarters shall have exclusive jurisdiction to settle any dispute arising from or in connection with these GFC or any Finance Documents (including the Factoring Agreement and the Reverse Factoring Agreement).

17.13. These GFC are supplemented with the provisions of the General Terms of Business for legal entities and authorised persons (under the form published on the Factor's website www.bcr.ro, as such may be amended by the Factor from time to time).

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CHAPTER 2

SPECIAL PROVISIONS – REVERSE FACTORING

The provisions of this Chapter 2 (*Special provisions – Reverse Factoring Agreement*) hereof include special rules applicable to (i) the Factoring Agreements concluded under a Reverse Factoring Agreement, respectively to (ii) the Reverse Factoring Agreements. For the avoidance of any doubt, the provisions of this Chapter 2 (*Special provisions – Reverse Factoring*) are applicable in addition to and shall be read together with the provisions of Chapter 1 (*General Provisions*). In case of any discrepancies, the provisions of this Chapter 2 (*Special provisions – Reverse Factoring*) shall prevail.

1. FINANCING CEILING/FLEXIBLE SUB-LIMITS, ESTABLISHED BY THE DEBTOR

- 1.1. The Debtor shall indicate in the recommendation provided to the Factor, in a form agreed by parties, the Sub Limit applicable to each of its suppliers for which the Debtor recommends the execution by the Factor of a Factoring Agreement. The implementation of any Sub Limit indicated by the Debtor shall be subject to the prior approval of the Factor, based, among others, on the exposure limits the Factor may deem applicable, being agreed that the execution of a Factoring Agreement with the recommended Adherent which includes the Sub Limit provided by the Debtor represents a tacit acceptance by the Factor of the Debtor's proposal.
- 1.2. The Debtor has the right to modify the Sub Limit applicable to any recommended Adherent with whom the Factor has concluded a Factoring Agreement under a Reverse Factoring Agreement, including by increasing, decreasing or cancelling such Sub-Limit, subject to the Global Limit. The prior approval of the Factor is necessary with respect to the increase of the Sub Limit applicable to any Adherent, being agreed that the performance by the Factor of the Financing Operations with respect to Invoices which exceed the Sub-Limit previously agreed represents a tacit approval of the Factor with respect to such increase.
- 1.3. The delivery by the Debtor of an Assigned Invoices List requesting the provision of Financing Operations with respect to Invoices issued by the Adherent in a higher or smaller amount than the Financing Ceiling provided in the relevant Factoring Agreement represents an express and irrevocable instruction of the Debtor to amend the Sub Limit allocated to the relevant Adherent.
- 1.4. Following the amendment by the Debtor of the Sub Limit, the Financing Ceiling provided under the Factoring Agreement concluded under a Reverse Factoring Agreement shall be automatically amended in line with the amendment of the relevant Sub Limit, and effective with the date such amendment is implemented in the Factor's evidences, with binding effects on the Adherent, with no prior formality required from the Factor and without any amendment to the Factoring Agreement being necessary.
- 1.5. The Debtor has also the right to replace/remove any recommended Adherent with whom the Factor has concluded a Factoring Agreement under a Reverse Factoring Agreement.
- 1.6. The Debtor has the obligation to inform or notify the Adherent with respect to any such amendment of the Sub-Limit / Financing Ceiling, respectively with respect to the replacement / removal of any Adherent, being hereby expressly agreed that the Factor shall not have any obligation in this respect towards the Adherent.

2. THE ASSIGNED INVOICES LIST

- 2.1. In case the Factoring Agreement is concluded under a Reverse Factoring Agreement, in addition to the conditions mentioned under Art. 5 (*Financing of the Receivables. General Rules*) of Chapter 1 (*General Provisions*) of these GFC, in order for the Factor to perform the Factoring Operations, the Assigned Invoices List shall be submitted by the Debtor and shall be confirmed by the Adherent as well, in a form satisfactory for the Factor or according to the functionality of the "BCR Factoring Express" Platform.

3. SPECIAL CASES OF PROLONGATION AND TERMINATION OF THE FACTORING AGREEMENT CONCLUDED UNDER A REVERSE FACTORING AGREEMENT

- 3.1. Without prejudice to the provisions of Chapter 1 (*General Provisions*) of these GFC, in case the Factoring Agreement is concluded under a Reverse Factoring Agreement, the Adherent agrees that:
 - (a) the duration of the Factoring Agreement shall be automatically extended for successive periods of 1 (one) year as of the expiry of the initial period mentioned under the Factoring Agreement, without any amendment in this respect being required;

- (b) the duration of the Factoring Agreement shall not exceed the maturity of the Reverse Factoring Agreement under which it is concluded, respectively that the Factoring Agreement shall automatically terminate on the date the relevant Reverse Factoring terminates, irrespective of the termination reason. The Debtor has the obligation to inform or notify the Adherent with respect to the termination of the Reverse Factoring Agreement and consequently with respect to the termination of the Factoring Agreement, being hereby expressly agreed that the Factor shall not have any obligation in this respect towards the Adherent.

4. UNDERTAKINGS OF THE DEBTOR

- 4.1. Until the date all the amounts owed to the Factor under any Finance Document concluded between the Factor and the Client have been fully and irrevocably paid, the Debtor hereby undertakes, irrevocably and unconditionally, to duly and timely perform the following obligations and it acknowledges that the fulfilment of these obligations were essential for the Factor when entering into the Finance Documents:
 - (a) to inform its suppliers with respect to the possibility to benefit of the Factoring Operations provided by the Factor as well as with respect to the applicable terms and conditions;
 - (b) to provide the Factor with the Debtor's annual and biannual (biannual accounting reports) financial statements, filed with the competent tax bodies and bearing their stamp attesting the filing (consolidated, if the Debtor is a member of a group of companies and audited if there is any such legal obligation), without delay after the date of submission, but in any case within 15 (fifteen) calendar days starting on the date of submission with the competent tax bodies;
 - (c) to pay at the Due Date and in the Collection Account, without any withholding or set-off, counterclaim, division or discussion, the full amount of all and any Receivables assigned under the Factoring Agreement concluded by the Factor with an Adherent recommended by the Debtor, irrespective whether Financing Operations have been provided with respect to those Receivables. Any payment made by the Debtor shall include details on the number and the date of the paid Invoice. The Debtor shall be deemed to be in default by operation of law (*Rom. se va afla de drept in intarziere*) if it does not pay any amount owed under the Finance Documents at the due date, in the agreed currency and at the agreed place of payment, respectively, to the extent applicable, if such payment does not occur until the expiry of any applicable Grace Period;
 - (d) to refrain from making or entering into any set off, compensation, discounts or other similar adjustments with the recommended Adherents, in connection with the Invoices assigned to the Factor under the Factoring Agreement;
 - (e) to immediately inform the recommended Adherents with which the Factor has concluded a Factoring Agreement under a Reverse Factoring Agreement, with respect to: (i) any amendment of the applicable Sub-Limit (including its increase, decrease or cancellation); (ii) any decision of the Debtor to replace/remove the Adherents; (iii) any decision of the Factor to suspend the performance of the services under the Reverse Factoring Agreement, respectively to cancel or to decrease the Global Limit; (iv) the termination, for any reason, of the Reverse Factoring Agreement; (v) any other situation or event which impacts or might impact the performance by the Factor of the Factoring Operations under the Factoring Agreements concluded under a Reverse Factoring Agreement;
 - (f) to refrain from any action and to prohibit any omission that has, or is reasonably expected to have, a negative effect on the Factor's ability to recover any amounts due to it by the Debtor under the Reverse Factoring Agreement;
 - (g) not to allow any sale of the Receivables assigned under any Factoring Agreement concluded with a recommended Adherent or the creation of a security or of any other type of encumbrance on the Receivables assigned under the Factoring Agreement;
 - (h) upon the Factor's request, to immediately provide copies of the Eligible Contracts, respectively copies of any commercial contracts concluded with the Adherents, together with any amendments thereto, as well as any other information and documents related to these contracts or relevant for the good performance of the Reverse Factoring Agreement;
 - (i) to immediately notify the Factor with respect to any breach of the Reverse Factoring Agreement or any other acts or deeds that could preclude or make more difficult the collection by the Factor of the Receivables assigned under any Factoring Agreement concluded with a recommended Adherent;
 - (j) In relation to Sanctions:
 - (i) the Debtor shall not cause or permit all or any part of the proceeds of the Factoring Agreement / Reverse Factoring Agreement to be used, directly or indirectly, to make a loan or other advance (a) to invest in or contribute to or otherwise finance or support the activities or business of a Sanctioned Person, or (b) in any other manner that would result in a violation of any Sanctions Laws;

- (ii) the Debtor shall (and the Debtor shall ensure that its affiliates shall) not engage in any transaction, activity or conduct that could violate Sanctions Laws or cause it to become a Sanctioned Person;
- (iii) the Debtor shall (and the Debtor shall ensure that its affiliates shall) institute and maintain policies and procedures designed to promote and achieve continued compliance with all Sanctions Laws, and
- (iv) the Debtor shall, to the extent legally permitted, promptly upon becoming aware of it, supply to the Factor details of any claim, action, suit, proceeding or investigation against it or any of its affiliates, or any of their directors, officers, agents or employees in connection with any Sanctions.

5. EVENTS OF DEFAULT IN RELATION WITH THE REVERSE FACTORING AGREEMENT. ACCELERATION OF OBLIGATIONS

5.1. Any of the events and situations provided under this Art. 5 (*Events of Default in relation with the Reverse Factoring Agreement. Acceleration of obligations*) represents an Event of Default:

- (a) the Debtor does not pay any of the Receivables assigned under a Factoring Agreement concluded under a Reverse Factoring Agreement (i) by its Due Date or (ii) in case there is a Grace Period, upon its expiry, or does not fulfill any payment obligation towards the Factor on its relevant due date;
- (b) the Debtor does not fulfill any other obligation under the Reverse Factoring Agreement, any other Finance Documents or any other agreement concluded with the Factor;
- (c) the Debtor does not fulfill any of the financial obligations agreed under the Reverse Factoring Agreement or, in the Factor's opinion, there was a significant deterioration in the financial situation of the Debtor;
- (d) the Debtor fails to pay any of its debts on its due date or suspends the payment of any of its debts;
- (e) the occurrence of an Insolvency Event with respect to the Debtor;
- (f) the Debtor ceases its professional or commercial activities or changes them substantially;
- (g) the Debtor decides or enters into a merger or spin-off procedure or the control over the Debtor is taken by a third party which, in the Factor's opinion, could prejudice its interests in relation with the contracts concluded with the Debtor;
- (h) an authorization, license or registration which is necessary for carrying the Debtor's business expires, is refused or revoked or the Debtor breaches a legal provision with consequences on its business or a criminal investigation is initiated against it or against its management or any of its shareholders;
- (i) any event occurs which, in the opinion of the Factor, might have a Material Adverse Effect on the Debtor's capacity to fulfill its obligations under the GFC and the Reverse Factoring Agreement;
- (j) any of the events referred to in this clause is imminent, depending only by the passage of time.

5.2. Without prejudice to any right of the Factor under Chapter 1 (*General Provisions*) of these GFC, at any time after the occurrence of an Event of Default, the Debtor shall be deemed to lapse the benefit of term (Rom. *decazut din beneficiul termenului*) and the Factor may, without any notice and without any prior formality or intervention of any court, at its discretion and effective immediately:

- (a) to demand the Debtor additional security in order to guarantee the fulfillment of the Debtor's obligations under the Reverse Factoring Agreement; and/or
- (b) to suspend the performance of any services under the Reverse Factoring Agreement, respectively to suspend the performance of any Factoring Operations under the Factoring Agreements concluded with the Adherents recommended under the Reverse Factoring Agreement; and/or
- (c) to cancel the Global Limit and/or any Sub-Limit, at which time this shall be cancelled immediately; and/or
- (d) to declare all the amounts corresponding to the Financed Receivables immediately due and payable, at which time it shall become (i) due and payable on demand or (ii) immediately due and payable immediately; and/or
- (e) to exercise any or all of its rights, remedies and powers under the Reverse Factoring Agreement, including the right to enforce any security mentioned under the Reverse Factoring Agreement.

5.3. The exercise by the Factor of any such rights if an Event of Default has occurred has no effect on the obligation of the Debtor to continue to pay into the Collection Account any of the Receivables assigned under the Factoring Agreements concluded with the recommended Adherents.

- 5.4. The termination of the Reverse Factoring Agreement shall not restrict or otherwise prejudice any of the Factor's rights in connection with the Reverse Factoring Agreement. The Parties hereby further agree that provisions of the Reverse Factoring Agreement shall continue in full force with respect to any receivables already assigned to the Factor which are still unpaid at the date of termination.

6. MISCELLANEOUS

- 6.1. For the avoidance of any doubt, the Debtor confirms that it agrees that the Factoring Agreements concluded with the recommended Adherents shall include a statement that the respective Factoring Agreements have been concluded under a certain Reverse Factoring Agreement, mentioning the number, date and parties to the Reverse Factoring Agreement.

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CHAPTER 3

SPECIAL PROVISIONS – "BCR FACTORING EXPRESS" PLATFORM

The provisions of this Chapter 3 (*Special provisions – "BCR Factoring Express" Platform*) hereof include the special rules the "BCR Factoring Express" Platform through which the factoring and the reverse factoring contractual relationship agreed under the Finance Documents are performed.

1. DEFINITIONS

Without any prejudice and in addition to the provisions of Clause 1 (*Definitions*) of Chapter 1 (*General Provisions*) of these GFC, unless the parties expressly agree otherwise, the following capitalized terms shall have the meaning given below:

"BCR Factoring Express Account" means the Client's account available in the BCR Factoring Express Platform, which contains personalized information on the Factoring Operations.

"Consent" means the authorization given by the Client, through the submission by any User of the Identification Details, in order for the Factor to execute/provide a BCR Factoring Express Operation or a series of BCR Factoring Express Operations.

"Data" means the information registered by the Client in the BCR Factoring Express Platform regarding the Receivables assigned under the Factoring Agreement.

"Identification Details" means (i) the Client's Username and (ii) the Password.

"User Manual" means the technical user manual of the BCR Factoring Express Platform, made available to the Client by the Factor, at the e-mail address provided by the Client under the Finance Documents.

"Username" means the username received by the Client upon signing the relevant Finance Documents, providing access to the BCR Factoring Express Platform.

"BCR Factoring Express Operation" means each of the operations which can be performed by the Client through the BCR Factoring Express Platform, as detailed in the User Manual.

"BCR Factoring Express Platform" means the IT system made available to the Client by the Factor, through which the BCR Factoring Express Operations are performed.

"Password" means the secret individual code received by the Client after signing the relevant Finance Documents, on the e-mail address provided by the Client under the Finance Documents, for the purpose of accessing the BCR Factoring Express Platform.

"User" means any person who access the BCR Factoring Express Platform by using the Username of the Client and the Password and who, in accordance with these GFC, is considered by the Factor to be the person having the right and authorization of the Client to perform the BCR Factoring Express Operations.

2. BCR FACTORING EXPRESS PLATFORM AND BCR FACTORING EXPRESS OPERATIONS

2.1. The BCR Factoring Express Operations include, in general and without limitation, within the limits of the technical specifications of the BCR Factoring Express Platform:

- (a) accessing the BCR Factoring Express Platform by the Client, through the User, in order to carry out certain actions envisaged by the Finance Documents, including registration of Data;
- (b) storing Data for the entire validity period of the Finance Documents and notifying the Parties thereof, including the visualization of such Data;
- (c) tacit confirmation by the Client of the information regarding to the Receivables;
- (d) performing the correspondence between the parties in connection with the Finance Documents, including the submission of notices;
- (e) generating reports on Receivables situation.

2.2. Each BCR Factoring Express Operation shall be considered realised based on the Client's Consent and after being received and processed by the Factor, with the observance of the cut-off times, as defined in the TCGA. In case the relevant cut-off times are not complied with, the receipt shall be deemed to have occurred on the next business day.

- 2.3. Each Operation shall be performed in accordance with applicable legal regulations, the contractual provisions, the User Manual and the TCGA.
- 2.4. Each use of the BCR Factoring Express Platform performed under the Identification Details of the relevant Client shall be considered by the Factor as being performed and authorized by the Client.

3. FEES APPLICABLE TO THE BCR FACTORING EXPRESS PLATFORM

The Client's access to the BCR Factoring Express Platform is permitted by the Factor free of charge.

4. WORKFLOW

- 4.1. The Client shall receive from the Factor, the User Manual and the Password by e-mail, to the e-mail address indicated in the Finance Documents. The Client has the obligation to select a new Password upon the first use of the BCR Factoring Express Platform. After identifying through the Password, BCR Factoring Express Operations may be provided by the Factor to the Client, without any additional passwords being necessary. The Password is valid for a determined period of time, at the expiry of which the Client will select a new Password. During the delivery of BCR Factoring Express Operations, the Client will be able to request the Password change through the options available within the application.
- 4.2. The Factor draws the Client's attention that the BCR Factoring Express Platform can be accessed by any person who has access to the email address mentioned above.

5. RIGHTS AND OBLIGATIONS OF THE CLIENT

- 5.1. The Client has the right to perform the BCR Factoring Express Operations on the BCR Factoring Express Platform, in accordance with the provisions of these GFC and of the Finance Documents.
- 5.2. The Client has the obligation:
- (a) to ensure, on its own expense, the necessary equipment and internet connection for the performance of the BCR Factoring Express Operations;
 - (b) to provide the Identification Details only to the persons authorized to perform the BCR Factoring Express Operations, being hereby agreed that the provisions of Article 2015 Civil Code are not applicable; for the avoidance of any doubt, the Client is responsible for ensuring the security of the Identification Details, the Factor being entitled to consider that each BCR Factoring Express Operation is requested by the person empowered and authorized by the Client to perform these operations;
 - (c) to observe the workflow agreed in accordance with these CGF and the provisions of the User Manual, sent by email;
 - (d) not to perform any alteration to the BCR Factoring Express Platform made available by the Factor;
 - (e) not to revoke any instruction sent to the Factor through the BCR Factoring Express Platform; for the avoidance of any doubt, the Client acknowledges that any instruction sent to the Factor through the BCR Factoring Express Platform is binding and irrevocable;
 - (f) to read and comply with all the messages sent by the Factor through the BCR Factoring Express Platform;
 - (g) to ensure that the BCR Factoring Express Platform shall be used exclusively by a person authorized in this respect and to take all the necessary measures in order to protect the identification data of the User against loss, alienation or abuse. The identification data of the User shall not be recorded in a manner that can be easily recognized and shall not be disclosed to unauthorized persons;
 - (h) to observe the data structure necessary in order for the BCR Factoring Express Operations to be performed, in accordance with the User Manual;
 - (i) to change the Password upon first accessing the BCR Factoring Express Platform;
 - (j) to notify the Factor as soon as any of the following situations occur:
 - (i) the loss or theft of the Identification Details, as well as any suspicious regarding the possibility that these Details have become known by unauthorized persons;
 - (ii) the registration with the BCR Factoring Express Account of any operations which were not be authorized by the Client;
 - (iii) any error or irregularity in the management of the BCR Factoring Express Account by the Factor;
 - (iv) any technical malfunction which impede the performing of the BCR Factoring Express Operation;

- (v) any situation that needs to be notified to the Factor according to the Finance Documents;
- (k) to inform itself with respect to the cut off time for the processing of the transactions when initiating the operations, as provided under the TGCA.

6. THE RIGHTS AND OBLIGATIONS OF THE FACTOR

6.1. The Factor has the right:

- (a) to unilaterally modify (to add or to withdraw) the types of the BCR Factoring Express Operations and the ways of accessing the BCR Factoring Express Operations, through message on the BCR Factoring Express Platform or by notifying the Client either on paper form, by a letter with acknowledgment of receipt or by electronic means of communication; the Factor also reserves the right to make technical modifications of the software which is used for performing the BCR Factoring Express Operation, during the utilization, with respect to the way of registration, the way of choosing and presentation of the Data, including the identification elements of the Receivables, without notifying the Client in advance;
- (b) to block the carry out of the BCR Factoring Express Operation requested through the BCR Factoring Express Platform, if (i) the Factor has exercised any of its rights under Art. 4 (*Revocable Ceiling*) of Chapter 1 (*General provisions*) of these GFC; (ii) the termination, irrespective of the reason, of the Finance Documents; (iii) the Client fails to observe any of its contractual obligations under the Finance Documents, including the inadequate use of the BCR Factoring Express Platform; (iv) such operation is necessary or recommendable to ensure the security of the BCR Factoring Express Platform / BCR Factoring Express Operation / Data; (v) there is a suspicion of unauthorized or fraudulent use of the BCR Factoring Express Platform / BCR Factoring Express Operation / Data, or (vi) significant deterioration of the contractual relationships between the Adherent and the Accepted Debtor or between any of them and the Factor and/or a third party, including without limitation the acceleration of the maturity of certain financing facilities or other penalties that might arise in case of default of the Adherent or of the Accepted Debtor.

If any of the above mentioned situations occurs, the Factor has the right to block the performance of the BCR Factoring Express Operations with immediate effect and shall inform the Client with respect to such blocking and about the reasons which caused it no later than 15 (fifteen) business days from the date the performance of the BCR Factoring Express Operations has been blocked. The Factor is not required to inform the Client if safety reasons, objectively justified, are violated or if such information is otherwise prohibited by other relevant provisions of law. The Factor unblocks the Client's access to BCR Factoring Express Operation once the reasons for blocking cease to exist, informing the Client as previously provided;

- (c) to correct any calculation error which might result from the administration of the BCR Factoring Express Platform by the Factor, either upon the Client's request or upon the Factor's initiative.

6.2. The Factor has the obligation:

- (a) to daily process the instructions delivered through the BCR Factoring Express Platform, in accordance with the work schedule set by the Factor for performing each type of BCR Factoring Express Operation, provided that the transmitted Data are correct, complete and compliant;
- (b) to promptly block a User's access to the BCR Factoring Express Platform in case of loss / theft of the Identification Details announced in accordance with this Chapter 3 (*Special provisions - BCR Factoring Express Platform*) of these GFC;
- (c) to make available to the Client the User Manual. Upon the Client's request, the Factor may provide support to the Client in relation with the performance of the BCR Factoring Express Operations.

7. COMMUNICATION CLIENT – FACTOR

- 7.1. Any communication, notification, agreement, offer, requirement, request or other instrument required or authorized to be offered or granted by the parties under the relevant Finance Documents ("**Notice**") shall be provided both through the communication means provided under the Finance Documents or through the BCR Factoring Express Platform.
- 7.2. Any Notice between the parties shall be considered effective and correctly delivered if provided through the BCR Factoring Express Platform. Moreover, all the documents which are requested to be dispatched for each BCR Factoring Express Operation (including, without limiting to copies of the commercial contracts concluded between the Client and the Accepted Debtor, Assigned Invoices List, invoices, any documents and relevant information, including with respect with overdue debts and payment delays or previous or present Litigation, notices sent by the Factor to the Client in connection with the Finance Documents) shall be uploaded and attached on/to the BCR Factoring Express Platform.

- 7.3. The Client and the Factor hereby expressly agree that the documents uploaded/attached on/to the BCR Factoring Express Platform and the User Manual transmitted by email as per the above provisions, have the same force of evidence as the original. Also, the Factor and the Client hereby expressly agree that the Consent is validly expressed on the BCR Factoring Express Platform by entering the Identification Details. For the avoidance of any doubt, this clause represents the parties' convention on evidence in accordance with Article 256 of the Civil Procedure Code.

8. THE LIABILITY OF THE PARTIES

- 8.1. Any loss resulting from the breach of the provisions of this Chapter 3 (*Special provisions - BCR Factoring Express Platform*) of the GFC shall be borne by the party in breach.
- 8.2. The Client is responsible for the accuracy of all information transmitted to the Factor through the BCR Factoring Express Platform.
- 8.3. The Client is responsible for all actions and omissions of any User, including any loss resulting from its activity, as well as the inappropriate use of the Identification Details, the performance of any BCR Factoring Express Operation, the use of the BCR Factoring Express Platform and the non-observance of the applicable workflow.
- 8.4. The Factor does not warrant in any way the uninterrupted operation of the BCR Factoring Express Platform and the possibility of performing the BCR Factoring Express Operations and it is not responsible for:
- (a) any losses that may result from the malfunctioning of the equipment used by the Client to access the BCR Factoring Express Platform, its failure to establish contact with the Factor or due to registration errors in the BCR Factoring Express Platform;
 - (b) any losses resulting from any technical defects in the BCR Factoring Express Platform, from defective or loss of transmission, transmission errors, faults, interruptions, omissions or malfunctions of any kind or arising from interference - including unlawful interference – with the technical systems of the Factor;
 - (c) any loss caused by the Client as a result of non-compliance of the provisions of this Chapter 3 (*Special provisions - BCR Factoring Express Platform*) of the GFC, of the Finance Documents and/or of the TGCA, including any losses caused by the incorrect instructions of the Client, delayed instructions or otherwise.
- 8.5. The Factor shall be liable to the Client for the losses it causes with gross negligence or willful misconduct to the extent of the losses actually caused. The Factor shall not be held responsible in any way for the possible loss of profit of the Client. Expenses or losses incurred by the Factor in connection with any BCR Factoring Express Operation and BCR Factoring Express Platform shall be borne by the Client to the extent that they are attributable to the latter.
- 8.6. The Data regarding the Claims registered on the BCR Factoring Express Platform by the Debtor shall be deemed, by the Debtor and by the Factor as tacitly confirmed by Adherent, provided that it does not inform each of them in writing on its disagreement on the Data at the latest the end of the first business day following that in which they were registered.

9. INTELLECTUAL PROPERTY RIGHTS

- 9.1. All intellectual property rights in relation or in connection to the BCR Factoring Express Platform shall remain in the sole and exclusive property of the Factor, are reserved by the Factor and no other right except for the ones expressly stipulated in these GFC and in the Finance Document is granted to the Client.
- 9.2. For the avoidance of any doubt, the parties hereby agree that the Client does not have the right to alter, in any way, the BCR Factoring Express Platform and/or the software program provided by the Factor. The software amendments brought to the BCR Factoring Express Platform shall be made solely by the Factor, through its specialists or contractors.

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