

# PRODUCT-SPECIFIC BUSINESS CONDITIONS FOR FACTORING OF SLOVENSKÁ SPORITELŇA, A.S.

PsBC – Natural person (sole trader), Legal entity  
Public and NGO sector

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DEFINITIONS

<b>Advice</b>	Bank's notice of advance payment provision for the Counter Value or notice of effected offsets of mutual receivables between the Bank and the Client.
<b>Non-Recourse Factoring</b>	Non-Recourse Factoring without co-payment and Non-Recourse Factoring with co-payment.
<b>Non-Recourse Factoring without co-payment</b>	Assignment of receivables to the Bank, where the Bank assumes the risk of the Customer's insolvency or unwillingness to pay; the Bank guarantees the payment of the assignment consideration in case of a Guarantee Event up to the amount of 100% of the Counter Value.
<b>Non-Recourse Factoring with co-payment</b>	Assignment of receivables to the Bank, where the Bank assumes the risk of the Customer's insolvency or unwillingness to pay within a limited scope; the Bank guarantees the payment of the receivable assignment consideration in case of a Guarantee Event up to the amount of the Counter Value determined by subtracting the agreed co-payment.
<b>Notice of Assignment</b>	Receivable assignment notice; information for the Customer that the receivable has been assigned and the Customer shall make the payment to the Bank.
<b>Centre of Main Interests</b>	Shall have a meaning as per Article 3(1) of the European Commission Regulation of 29 May 2000 on Insolvency Proceedings.
<b>Determination Date</b>	Decisive date for determination of the Reference Rate amount for a calendar month; it is the first day of the calendar month; if the Reference Rate is not announced on such day, then it is the first day of the calendar month in which the Reference Rate is announced.
<b>Class of Factoring</b>	Domestic factoring and export factoring.
<b>Factoring Agreement</b>	Agreement entered into between the Bank and the Client on the basis of the Framework Factoring Agreement, setting out specific terms of provision of the particular Class and Type of Factoring, on the basis whereof agreements for the assignment of the Client's receivables due from particular clients are executed.
<b>Factoring Limit</b>	Amount in the Factoring Agreement, upper limit of the sum of all outstanding Assigned Receivables, up to which the Bank may accept the Proposal for Assignment of the Client's Receivable from the Customer; drawdown of the Limit shall be effected by acceptance of the Receivable Assignment Proposal and the Limit shall be released as the Assigned Receivable is settled.
<b>Invoice</b>	Invoice, another accounting or tax document issued by the Client to the Customer in respect of the receivable set out in RAT.
<b>Factoring Relationship</b>	A relationship established under the Framework Factoring Agreement or under a Factoring Agreement that persists until complete settlement of all obligations under the Framework Factoring Agreement or under a Factoring Agreement or in connection therewith.
<b>RAT</b>	Receivable Assignment Template used by the Client to submit the Receivable Assignment Proposal to the Bank; its binding wording shall be stipulated by the Bank.
<b>Guarantee Limit</b>	Amount in the Factoring Agreement, upper limit of the total

sum of all outstanding Assigned Receivables, up to which the Bank may accept the Proposal for Assignment of the Client's Receivable from the Customer under Non-Recourse Factoring without co-payment or Non-Recourse Factoring with co-payment; drawdown of the Limit shall be effected by acceptance of the Receivable Assignment Proposal and the Limit shall be released as the Assigned Receivable is settled.

<b>Guarantee Event</b>	Customer's delay in payment of the Assigned Receivable for more than 30 days in Non-Recourse Factoring.
<b>Guarantee Payment</b>	Payment of a consideration for the Assigned Receivable up to the amount of 100 % of the Counter Value in Non-Recourse Factoring without co-payment or up to the amount of the Counter Value determined by deducting the agreed co-payment in Non-Recourse Factoring with co-payment.
<b>Global Factoring Limit</b>	Amount in the Framework Factoring Agreement; upper limit of the total sum of all outstanding Assigned Receivables, up to which the Bank may accept the Proposal for Assignment of the Client's Receivable from the Customers in respect of all Factoring Agreements.
<b>Bulk Factoring Agreement</b>	More Factoring Agreements included in the same document.
<b>Client</b>	Person assigning receivables due from the Customer to the Bank; in a Business Case such person usually takes the position of the supplier of goods or service contractor; the scope of definition of the Client contained in the GBC shall apply for relationships governed by the GBC.
<b>Receivable Assignment Proposal</b>	Client's proposal to the Bank to enter into an agreement for the assignment of the Client's receivable due from the Customer.
<b>Nominal Value</b>	Amount stated in the Invoice as the final amount for the goods supplied or service provided, including usual costs; always inclusive of value added tax, if applicable pursuant to statutory regulations.
<b>Business Case</b>	A legal relationship between the Client and their customer establishing obligations under valid contracts, agreements or other legal acts, in terms whereof the Client incurs an ordinary trade receivable from the Customer; usually on the basis of a supply of goods or provision of services.
<b>Consideration</b>	Consideration for the Bank's activities, in particular for procurement of collection, recovery and administration of receivables, guarantees provided under Non-Recourse Factoring and for other services; its amount is stated in the Factoring Agreement.
<b>Other Payments</b>	The Bank's right to receiving payment of: <ul style="list-style-type: none"> <li>a) interest on the Advance Payments provided;</li> <li>b) Fees;</li> <li>c) default interest;</li> <li>d) contractual penalties, damages and other expenses and payments that the Bank made or shall make in connection with the Assigned Receivable, including exchange rate losses;</li> <li>e) any other costs and expenses of the Bank in connection with administration, payment or collection of the Assigned Receivable; and</li> <li>f) the amount of the Assigned Receivable paid by the Customer to the Client.</li> </ul>

<b>Notice of Acceptance</b>	The Bank's notice to the Client of acceptance of the Receivable Assignment Proposal.
<b>Notification Letter</b>	Document used by the Client to notify the Customer of assignment of receivables; its binding wording shall be stipulated by the Bank.
<b>Material Adverse Effect</b>	An event, which has or may have a material adverse effect on: <ul style="list-style-type: none"> <li>a) the income, business activity, operations and assets of the Client or the Customer;</li> <li>b) the economic situation or legal status of the Client or the Customer;</li> <li>c) the Client's or the Customer's solvency, their ability to meet their obligations towards the Bank;</li> <li>d) validity or enforceability of any provision of the Framework Factoring Agreement, Factoring Agreement or receivable assignment agreement;</li> <li>e) the value of the item serving as security for the Bank's receivable; or</li> <li>f) validity or enforceability of the Bank's receivable.</li> </ul>
<b>Receivable to be Collected</b>	Receivable in respect whereof the Bank did not accept the Receivable Assignment Proposal and included the receivable in the Administration of Receivables; the receivable shall not be assigned to the Bank in such case.
<b>PsBC</b>	These Product-Specific Business Conditions for Factoring of Slovenská sporiteľňa, a.s..
<b>Assigned Receivable</b>	Receivable in respect whereof the Bank accepted the Client's Receivable Assignment Proposal.
<b>Event of Default</b>	A fact, which, if it occurs, is a breach of the: <ul style="list-style-type: none"> <li>a) Framework Factoring Agreement;</li> <li>b) Factoring Agreement; or</li> <li>c) Receivable Assignment Agreement</li> </ul> by the Client.
<b>Counter Value</b>	Consideration to the Client for the Assigned Receivable.
<b>Framework Factoring Agreement</b>	Agreement governing fundamental terms of the legal relationship between the Client and the Bank in connection with provision of factoring and other services of the Bank.
<b>Reference Rate</b>	Published rate, based on which the Interest Rate is determined by the Bank; in particular EURIBOR /EONIA /EUR LIBOR /LIBOR /PRIBOR/ BUBOR - a rate p. a. determined depending on the current situation on the interbank refinancing market; its amount corresponds to the deposit interest rate value for a fixed period in a currency and in an amount comparable to the Bank's receivable offered on the interbank market for the respective currency on the Determination Date. <p>If, on the Determination Date, the Reference Rate reaches a negative value, i.e. a value lower than 0% p.a., the Bank may use the Reference Rate equal to 0% p.a. for calculation of the resulting Interest Rate.</p>
<b>Recourse Factoring</b>	Assignment of receivables to the Bank, where the Bank does not assume the default risk with regard to the Assigned Receivable; the Client shall guarantee the collectability of the Assigned Receivable.
<b>Client's Group</b>	Affiliated entities/persons and any and all persons/entities, which, pursuant to the statutory regulations, are controlled

	by the Client or control the Client, or are, together with the Client, controlled by a third party.
<b>Customer's Group</b>	Affiliated entities/persons and any and all persons/entities, which, pursuant to the statutory regulations, are controlled by the Customer or control the Customer or are, together with the Customer, controlled by a third party.
<b>Dispute</b>	A situation, when, within the scope of a Business Case or in connection with the same: <ul style="list-style-type: none"> <li>a) the Customer exercises their right under liability for defects of goods supplied or service provided, including the warranty provided;</li> <li>b) a dispute arises on the grounds of another breach of the terms of the Business Case, including disputes for validity of legal acts concerning the Assigned Receivable; or</li> <li>c) other facts occur that will or can result in exempting the Customer from the obligation or restricting the Customer's obligation to pay the Assigned Receivable, including offsetting with another receivable of the Customer that they hold against the Client.</li> </ul>
<b>Administration of Receivables</b>	A regime whereunder the Bank may receive payment of the Receivable to be Collected from the Customer; the Bank shall record such payment and remit the same to the Client.
<b>Status Change</b>	Any of the following facts: <ul style="list-style-type: none"> <li>a) Dissolution;</li> <li>b) Merger;</li> <li>c) Change in legal form;</li> <li>d) Change in share capital amount;</li> <li>e) Purchase, sale or lease of the Client's undertaking or any part thereof;</li> <li>f) Change in the manner of representation;</li> <li>g) Change in any other legal facts stated in the extract from a register; or</li> <li>h) Another fact that can have a similar effect pursuant to the applicable foreign law as any of the aforementioned facts.</li> </ul>
<b>Type of Factoring</b>	Non-Recourse Factoring without co-payment, Non-Recourse Factoring with co-payment and Recourse Factoring.
<b>Interest Rate</b>	A rate expressed in per cent per annum (% p.a.) at which the Advance Payment bears interest; it is constituted by the sum of the Reference Rate and a margin.
<b>Advance Payment</b>	Advance payment for the Counter Value.
<b>Customer</b>	A person incurring obligations towards the Client to pay receivables, in particular the price of goods supplied or service provided, in terms of Business Cases.

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## 1. FUNDAMENTAL PROVISIONS

- 1.1. The PsBC shall constitute an integral part of the Framework Factoring Agreement and the Factoring Agreement entered into between the Bank and the Client:
    - a) being a natural person (sole trader), who enters into and performs the Framework Factoring Agreement as part of their business or other entrepreneurial activities;
    - b) being a legal entity.
  - 1.2. The PsBC shall also apply to natural persons assuming the rights and obligations of the Client under the Framework Factoring Agreement and the Factoring Agreement or providing a security for the obligation of the Client under the Framework Factoring Agreement and the Factoring Agreement.
  - 1.3. The PsBC are available at [www.sisp.sk](http://www.sisp.sk) and at each Branch.
  - 1.4. The Framework Factoring Agreement and the Factoring Agreement shall take precedence over the PsBC and GBC. The PsBC shall take precedence over GBC. The PsBC and GBC shall always complement the Framework Factoring Agreement and the Factoring Agreement.
  - 1.5. Capitalised terms shall have meanings defined in the Framework Factoring Agreement, the Factoring Agreement, in these PsBC or GBC.
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## 2. ASSIGNMENT OF RECEIVABLES

### *Fundamental Terms*

- 2.1 The Client shall propose to the Bank to assign every receivable due from the Customer stated in the Factoring Agreement, if:
  - a) it arose after the effective date of the Factoring Agreement;
  - b) it meets the conditions agreed in the Factoring Agreement and in the Framework Factoring Agreement;
  - c) it validly arose and exists on the basis of a performance provided duly and in time within the scope of a Business Case;
  - d) the receivable becomes due not earlier than 3 days after submission of the RAT to the Bank; the Bank may also accept a shorter period.
  - e) the currency of the receivable in the Invoice corresponds to the agreed currency of performance under the Factoring Agreement;
  - f) the maturity period of the receivable in the Invoice does not exceed the maximum Invoice maturity period agreed in the Factoring Agreement;
  - g) the Factoring Agreement or the Framework Factoring Agreement have not been terminated.
- 2.2 The Client must not propose to assign a receivable:
  - a) that is based on a pre-agreement, agreement for exchange, commission, mandate or agency agreement, business representation agreement, agreement for deliveries to the consignment warehouse or on any other equivalent liability relation on the basis of a commission fee or price agreements where the price may be stipulated or influenced by the Customer;
  - b) whereunder another performance than payment in generally convertible currencies is expected;
  - c) considered an advance payment or upfront payment for the performance to be provided by the Client only in the future;
  - d) that arose on the grounds of a charged contractual fine, interest on arrears, sanctions, indemnification, replacement cost, undue enrichment, compensation of damage that the Customer caused to the Client, or due to other unlawful conduct or the Customer's conduct;
  - e) the assignment whereof is contrary to the Client's agreement with the Customer.
- 2.3 The Client shall submit the Receivable Assignment Proposal using the RAT. For each receivable, the Client shall submit the Receivable Assignment Proposal on a separate RAT line. Such Receivable Assignment Proposal shall be independent, irrevocable and without any time restrictions.
- 2.4 The RAT shall be signed by the Client; it is at the Bank's discretion when it accepts the RAT signature executed by mechanical means. The Bank may also accept the RAT delivery from the Client's e-mail address agreed with the Client as the address for correspondence..
- 2.5 The Bank shall assess whether a particular Receivable Assignment Proposal meets the agreed terms. The Bank shall not be obliged to accept the Receivable Assignment Proposal.

### *Documentation*

- 2.6 The Client shall submit the original Invoice; The Bank may reject the Invoice that does not contain the following requisites:
- a) Invoice number;
  - b) Current identification of the Client: trade name, registered office or place of business, information on registration with the Commercial Register or with other statutory records and identification number or tax registration number of the Client;
  - c) Current identification of the Customer: trade name, registered office or place of business, information on registration with the Commercial Register or with other statutory records and identification number or tax registration number of the Customer;
  - d) Invoiced amount inclusive of value added tax, if applicable;
  - e) Invoice date;
  - f) Invoice maturity date corresponding to the agreed receivable maturity date;
  - g) Subject-matter of performance to make clear what goods or services are invoiced to the Customer;
  - h) Notice of Assignment;
  - i) Other requisites agreed within the scope of the Business Case; and
  - j) Other requisites pursuant to statutory regulations effective as of the Invoice date.
- 2.7 The Client shall include the Notice of Assignment in each Invoice issued. The wording of the Notice of Assignment shall be stipulated by the Bank. The Bank may unilaterally amend the wording of the Notice of Assignment at any time. The Bank shall notify the Client thereof.
- 2.8 The Client shall ensure that the Invoice does not contain any number or any other identification of the Client's account, any information on the option to pay the Invoice in cash, or any other information on the manner of Invoice payment that would replace or distort the Bank's payment instructions set out in the Notice of Assignment. These terms shall apply to both the originals as well as copies of the Invoices.
- 2.9 The Client shall submit the following along with each Receivable Assignment Proposal:
- a) Original of the Invoice representing the receivable proposed to be assigned;
  - b) A confirmed order of the Customer, or a copy of the agreement between the Client and the Customer, as applicable;
  - c) A copy of the document confirming receipt of the goods by the Customer, e.g. a copy of the delivery docket, warehouse slip, dispatch docket or bill of lading confirmed by the carrier, or another document proving the commencement of shipping of the goods or the receipt of the goods by the Customer;
  - d) in case of export of goods or services, a copy of the export Uniform Customs Declaration relating to export of the goods, duly released into the export regime, and confirmed by the competent Customs Authority, or a copy of the EUR 1 certificate, and a copy of the international transport document according to the transport type, CMR, TIR carnet, ATA carnet or of another document proving commencement of shipping of goods; and
  - e) Copies of other documents relating to the supply of goods or services within the scope of the Business Case.
- 2.10 The Invoice and documents relating to the Receivable Assignment Proposal shall be duly submitted to the Bank no later than 3 days prior to the maturity date of the relevant receivable. The Bank may also accept a shorter period. The obligation to submit all documents shall also persist even if the Bank sends the Notice of Acceptance.

#### *Receivable Assignment Notification*

- 2.11 The Client shall notify the Customer of assignment of receivables via a Notification Letter.
- 2.12 The Client shall, no later than along with submission of the first Receivable Assignment Proposal, ensure the delivery of the Notification Letter to the Bank with express confirmation by the Customer that they take notice of execution of the Factoring Agreement and that any and all receivables of the Client due from the Customer shall be assigned to the Bank.
- 2.13 The Client shall at the same time notify the Customer of assignment of the receivable also in such manner that they shall send the Invoices representing the receivables stated in the RAT containing the Notice of Assignment to the Customer no later than along with submission of the Receivable Assignment Proposal to the Bank. The Invoice containing the Notice of Assignment shall be delivered to the Customer sufficiently in advance of the maturity date of the Assigned Receivable. The Client shall also prove that such Invoice was delivered, if requested by the Bank to do so.

#### *Acceptance*

- 2.14 The Bank shall accept the Receivable Assignment Proposal by sending a Notice of Acceptance, wherein it shall state the receivables in respect whereof it accepted the Receivable Assignment

Proposal. The acceptance of the Receivable Assignment Proposal shall become effective at the moment of delivery of the Notice of Acceptance to the Client.

- 2.15 The Bank shall state in the Notice of Acceptance whether it accepts the Assigned Receivable under Non-Recourse Factoring or Recourse Factoring.
- 2.16 A receivable assignment agreement shall be executed as of the moment of receipt of the Notice of Acceptance by the Client, such agreement being executed separately for each receivable stated in the Notice of Acceptance.
- 2.17 The receivable shall be assigned and any interest and payments related thereto and any rights attaching thereto shall be transferred to the Bank upon the execution of the relevant receivable assignment agreement.
- 2.18 The Bank may include the receivable in respect whereof it has not accepted the Receivable Assignment Proposal in the Administration of Receivables. If the Bank labels the receivable as „to be collected“ in the Notice of Acceptance, the Bank has not accepted the respective Receivable Assignment Proposal and included the receivable in the Administration of Receivables.
- 2.19 In terms of the Administration of Receivables, in case of the Receivable to be Collected, the Bank may receive the payment from the Customer and shall in turn remit it to the Client.
- 2.20 In cases of doubt, it shall apply that the receivable was assigned and the legal effects thereof have taken place at the place of the Bank's registered office.

#### *Factoring Services*

- 2.21 The Bank shall keep records of payments, Assigned Receivables and effected offsets for the Client. The Bank shall inform the Client of any movement on the Client's account in relation to the Assigned Receivables.
- 2.22 On the Client's request, the Bank shall send a total balance of the outstanding receivables to the Client along with the billing statement. Outstanding receivables shall refer to the Assigned Receivables that were not paid by the Customer or that have not extinguished in another manner.
- 2.23 In collecting the Assigned Receivable, the Bank shall proceed in such manner to avoid causing it to become statute-barred or extinguished in another manner than by its payment. The Bank shall remind the Customer who gets into arrears with payment of the Assigned Receivable by phone as well as in writing in reasonable periods, as a rule as of the 14<sup>th</sup>, 21<sup>st</sup> and 35<sup>th</sup> day after the maturity date of the Assigned Receivable. The Bank shall inform the Client, on their request, of the course of collection of the Assigned Receivables that are overdue.

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### 3. COUNTER VALUE

#### *Fundamental Terms*

- 3.1. The Client shall be entitled to receiving payment of the Counter Value, if all terms of the Framework Factoring Agreement, Factoring Agreement and the relevant receivable assignment agreement are met.
- 3.2. The Counter Value shall be in the amount of the Nominal Value of the Assigned Receivable and shall always be expressed in the currency stated in the Factoring Agreement.
- 3.3. The Counter Value may be less than the Nominal Value of the Assigned Receivable, if any of the following cases occur until the maturity date of the Assigned Receivable:
  - a) The Client issues a credit note, provides a discount or issues a discrepancy report or another equivalent document concerning the Nominal Value of the Assigned Receivable to the Customer in accordance with the terms of the Business Case, or the Customer pays an amount lower than the Nominal Value of the Assigned Receivable to the Bank's account on these grounds;
  - b) A justified offset of the Customer's receivable from the Client in terms of a complaint accepted by the Client; or
  - c) Another case pursuant to the Framework Factoring Agreement or the Factoring Agreement, or a case not explicitly set out therein, however, the same or equivalent in its nature, occurs.
- 3.4. If any of the cases as per the above occurs:
  - a) and the Client has knowledge of the same, the Client shall notify the Bank in writing without delay, no later than within 3 Business Days, what case is at issue, whether it is justified, and submit the relevant documentation to the Bank; or
  - b) and another person than the Client notifies the Bank of the same, the Bank shall notify the Client thereof. The Client shall notify the Bank in writing without delay, no later than within 3 Business Days, what case is at issue, whether it is justified, and submit the relevant documentation to the Bank. Unless the Client proves the opposite within this period, the Bank shall deem the reduced Counter Value to be binding and changed.



In such cases, the Bank shall be entitled to a refund of the Advance Payment, if it was provided, and may withdraw from the respective receivable assignment agreement.

- 3.5. The Bank shall confirm the Counter Value change to the Client in writing.
- 3.6. The consideration in case of any change to the Counter Value shall remain unchanged in the original amount as per the Nominal Value of the Assigned Receivable set out in the Receivable Assignment Proposal.

#### *Advance Payment for the Counter Value*

- 3.7. Until the moment of creation of the Client's right to receiving payment of the Counter Value, the Bank may provide an Advance Payment to the Client up to the amount of the Advance Payment Limit agreed in the Factoring Agreement. The Bank shall notify the Client of the Advance Payment provision via an Advice and shall remit the Advance Payment to the Client's account. If the Bank has already sent the Advice, it shall not remit the Advance Payment, if an Event of Default has occurred or persists.
- 3.8. If the Counter Value has changed after the Advice had been sent, the Advance Payment shall be reduced accordingly. If the Advance Payment has been paid already, the Client shall refund the difference between the paid and reduced Advance Payment to the Bank within 3 Business Days of the date of receipt of the confirmation of the Counter Value change.
- 3.9. The Bank shall not provide the Advance Payment in relation to the respective Assigned Receivable if:
  - a) such Assigned Receivable becomes payable; or
  - b) the Factoring Limit or the Global Limit, as applicable, has been exceeded.
- 3.10. The Client shall pay interest on the Advance Payment amount from the date of its debiting to the Bank's account to the date of creation of the Client's right to receiving payment of the Counter Value, creation of the right to receiving the Guarantee Payment, to the moment of the Advance Payment refund to the Bank's account or offsetting of the Advance Payment by the Bank. The Advance Payment shall bear interest at the Interest Rate. Interest shall accrue on a daily basis, it shall be charged on a monthly basis for the calendar month, and it shall become payable on the fourteenth day of the invoice date billing the interest, unless stated otherwise in the invoice. The Bank shall calculate the interest on the basis of the actual number of days in the calendar year / 360.
- 3.11. Any change to the Interest Rate shall always be effective as of the Determination Date and shall apply to all Advance Payments or any parts thereof provided by the Bank. The Bank shall be entitled to the interest on the Advance Payment provided or any part thereof also in case of creation of the right to Advance Payment refund under the Framework Factoring Agreement, Factoring Agreement or receivable assignment agreement. The Bank's right to interest on the Advance Payment provided shall not be prejudiced by the Bank's withdrawal from the receivable assignment agreement, whereunder the Advance Payment was provided to the Client, until the moment of the Advance Payment refund.

#### *Payment of the Counter Value*

- 3.12. The Client's right to receiving payment of the Counter Value shall be created in the moment of due payment of the Assigned Receivable by the Customer. Due payment shall refer to crediting of the entire amount of the Nominal Value of the Assigned Receivable or any changed Nominal Value of the Assigned Receivable to the Bank's account without any withholdings, deductions, withholding taxes, bank or other fees.
- 3.13. Any exchange rate differences on the grounds of the exchange rate difference of the currency in which the Bank shall make its accounting entries in relation to the currency in which the Assigned Receivable should have been and has been paid, shall be borne by the Client. The exchange rate gain shall be the Bank's income.
- 3.14. The Assigned Receivable shall also be deemed paid upon crediting of the entire amount of the Nominal Value of the Assigned Receivable to the Bank's account on the basis of the Client's payment upon remitting the payment when the Customer paid the Assigned Receivable to the Client's account.
- 3.15. The Bank shall not be obliged to recover the interest on arrears, contractual penalties, fines or any other sanctions under the terms of the Business Case, if the Customer settles their liability to the Bank after the maturity date of the Assigned Receivable.
- 3.16. If an Advance Payment has been made in respect of the Assigned Receivable, the Bank shall only make the balance payment to the Client to meet the Counter Value, such balance payment to be calculated by subtracting the Advance Payment provided from the Counter Value.
- 3.17. The Counter Value or the Counter Value balance payment shall always be paid in the currency in which the Nominal Value of the Assigned Receivable is stipulated.
- 3.18. The Bank shall pay the Counter Value or the Counter Value balance payment within 5 Business Days of creation of the Client's right to receiving payment of the Counter Value.

3.19. If the existence of the Assigned Receivable or its Nominal Value or any part thereof is denied on the basis of a legally effective decision of a court, arbitration tribunal or another authority, the Client shall within 3 Business Days of the Bank's notice refund the payment provided by the Bank in connection with such receivable and pay the Consideration and Other Payments.

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#### 4. CONSIDERATION AND OTHER PAYMENTS

- 4.1. The Client shall pay the Consideration and Other Payments to the Bank. The Consideration shall be determined as a percentage of the Nominal Value of the Assigned Receivable at the moment of delivery of the Receivable Assignment Proposal.
- 4.2. The Bank's right to receiving payment of the Consideration and Fees shall originate in respect of each Receivable Assignment Proposal at the moment of its delivery to the Bank. The Client shall pay the same even if the receivable has been included by the Bank in Administration of Receivables as a Receivable to be Collected.
- 4.3. The Bank's right to receiving payment of the Consideration and Other Payments shall not forfeit upon withdrawal from the respective receivable assignment agreement.
- 4.4. If the Assigned Receivable or any part thereof ceases to exist upon offsetting the Customer's receivable due from the Client or if the Customer may do the offsetting under applicable law, the Bank shall become entitled to receiving refund of the Advance Payment and to receiving the Other Payments.
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#### 5. BILLING STATEMENT

- 5.1. The Bank shall send an invoice (tax document) to the Client once per month, including the billing statement setting out the Consideration and Other Payments for the period of the preceding calendar month, usually within 10 days of the end of a calendar month. The billed Consideration and the Other Payments shall be subject to value added tax pursuant to applicable statutory regulations. The invoice shall be payable on the fourteenth day of the date of its issue, unless otherwise stated therein. The Bank shall send the invoice in electronic form, via mail or in another agreed manner to the Client's agreed address for correspondence.
- 5.2. The Bank shall send an Advice of the offsets of the Bank's and the Client's mutual receivables performed. On the Client's request, the Bank may draw up a detailed billing statement covering the following:
- a) Identification of the Assigned Receivable per Invoice number;
  - b) Nominal Value of the Assigned Receivable, or changed Nominal Value of the Assigned Receivable, as applicable;
  - c) Maturity date of the Assigned Receivable per Invoice;
  - d) Payment date to the Bank's account;
  - e) Amount of the Consideration and Fees;
  - f) Amount of the Advance Payment provided and interest amount; and
  - g) Amount of the Counter Value or Counter Value balance payment.
- 5.3. In offsetting the receivables stated in different currencies, first, the Bank's receivable and the Client's receivable shall be converted to the currency in which the Bank shall keep its accounts, at the current European Central Bank exchange rate. In turn, these receivables shall be offset in such currency. The exchange rate loss incurred by the Bank shall be borne by the Client. The exchange rate gain obtained by the Bank shall be the Bank's income. The costs that the Bank incurred in converting the currencies shall be borne by the Client.
- 5.4. If in the Advice, or document of equivalent content, addressed to the Client, the Bank states the mutual receivables of the Bank and the Client, the Bank may, without any prior notice of offsetting, settle its receivables by paying the difference between the sum of nominal values of the receivables stated in the Advice to the Client if:
- a) the Advice sets out more than one receivable of the Bank or if it sets out more than one receivable of the Client or more than one receivable of both the Bank and the Client;
  - b) each of these receivables may be offset;
  - c) they do not fully match; and
  - d) the sum of nominal values of the Client's receivables stated in the Advice is higher than the sum of nominal values of the Bank's receivables.

The Bank's obligation to pay the receivables stated in the Advice to the Client and the Client's obligation to pay the receivables stated in the Advice to the Bank shall cease to exist as of the date of issue of the

Advice and shall be fully replaced by the Bank's obligation to pay the difference between the sum of nominal values of the Client's receivables and the sum of nominal values of the Bank's receivables stated in the Advice to the Client.

- 5.5. The Bank's receivable under the Framework Factoring Agreement, Factoring Agreement and receivable assignment agreement may be paid:
- a) via cashless transfer of funds;
  - b) in cash, only if the Bank accepted this manner of payment in advance;
  - c) by offsetting the mutual receivables by the Bank; or
  - d) by debiting the funds in the amount of the Bank's receivable to the Client's account opened with the Bank even without submission of a payment order pursuant to the Payment Services Act. The Bank may debit any Client's account opened with the Bank.
- 5.6. The Bank may use any funds of the Client kept with the Bank to settle its receivables.
- 5.7. If the Client is in arrears with payment of their financial liability to the Bank, the Bank may charge interest on arrears in the amount of 20% p.a. of the due amount to the Client. The Bank shall calculate the interest on arrears on the basis of the actual number of days in the calendar year / 360.
- 5.8. Other services provided by the Bank to the Client under the Framework Factoring Agreement or Factoring Agreement shall be invoiced to the Client separately.
- 5.9. If the financial liability is only partially settled, the payment shall first cover the fees, interest on arrears, interest and then the principal. If the Bank holds outstanding receivables due from the Client also under more Factoring Agreements, such receivables shall be repaid as stated in the sentence above, ranking as set by the Bank.

## 6. OTHER OBLIGATIONS OF THE CLIENT

### *Notification obligations*

- 6.1. The Client shall regularly keep the Bank updated on facts that may have any impact on the due and timely settlement of the Assigned Receivable.
- 6.2. The Client shall inform the Bank immediately of:
- a) the course of the Business Case, including their own opinion, in particular in case of complaints lodged by the Customer;
  - b) any and all other facts that may have an impact on the Nominal Value of the Assigned Receivable;
  - c) any and all facts known to the Client about the Customer and that may have direct or indirect impact on the Customer's solvency, their market position or quality of the Assigned Receivable;
  - d) the fact that an Event of Default has occurred or is imminent; such notification to be made with no delay after becoming aware thereof;
  - e) their financial standing and any facts that may have a direct or indirect impact on meeting of the Client's obligations, on the Client's market position and their solvency;
  - f) institution of any court, arbitration or equivalent proceedings between the Client and the Customer;
  - g) any proposal for court or out-of-court settlement relating to the Assigned Receivable;
  - h) the fact that a bankruptcy petition or a restructuring petition, a distraint petition or a court ruling enforcement petition, a liquidation petition or a petition for execution of another equivalent act concerning the Client's or the Customer's assets have been issued;
  - i) any Status Change on the Client's side, where possible, at least 30 days prior to the date of the decision on the Status Change and otherwise with no delay after becoming aware thereof;
  - j) acquisition of direct or indirect interest of at least 50% or other majority interest in other entities, such notification to be made at least 15 days prior to submission of the application to carry out the change or prior to execution of the respective agreement;
  - k) the identity of the persons/entities belonging to the Client's Group and of their mutual relationships, such notification to be made as of the day of execution of the Framework Factoring Agreement and thereafter immediately upon any change;
  - l) facts concerning the Customer, the Client or the Client's Group, which result or may result in acting in conformity, acquisition of any direct or indirect property or other interest in the Customer's business, or the position of a controlled or controlling entity, personal interconnection or another manner of influencing the activities between the Client and the Customer;
  - m) fact that pursuant to the Freedom of Information Act, a contract or agreement between the Bank and the Client as well as between the Client and the Customer is an agreement subject to mandatory disclosure and whether the Client or the Customer is or has become the obligated person / entity.

### *Assistance*

- 6.3. The Client shall provide assistance to the Bank as required in collecting the Assigned Receivable.
- 6.4. The Client shall submit documents to, provide explanations to and meet other requirements of the Bank in order to achieve the payment of the Assigned Receivable or the Receivable to be Collected.
- 6.5. On the Bank's demand, the Client shall without delay provide the Bank or any person stipulated by the Bank with maximum possible assistance (e.g. in respect of Assigned Receivables recovered abroad or in respect of Assigned Receivables under contracts governed by foreign law) and shall issue a special written power of attorney to the Bank or to a person stipulated by the Bank for the purposes of institution and holding of proceedings to ensure payment or recovery of the due amount of the Assigned Receivable. Such power of attorney shall stipulate that the Bank or the person stipulated by the same may grant authorisation within the full scope of such power of attorney to a third party.

### *Representations*

- 6.6. As of the submission date of the Receivable Assignment Proposal in respect of each receivable stated in the Receivable Assignment Proposal, the Client represents and warrants that:
  - a) the receivable from the Customer has validly originated, it exists and it may be assigned to the Bank;
  - b) they are not aware of any reason why the payment of the Assigned Receivable could be refused by the Customer in full or in part or effected contrary to the Invoice data;
  - c) the receivable has the content following from documents submitted by the Client;
  - d) the Invoice has not been issued later than 30 days of dispatching the goods or 30 days of the date of provision of the services to be paid for; unless a shorter period is stipulated by statutory regulations.
  - e) the receivable shall not be reduced by any withholding tax, customs duty or another similar payment to be made in favour of any government agencies of any country;
  - f) the receivable is not and shall not be encumbered by any third-party right, in particular any pledge, as a result of the Client's prior conduct;
  - g) the Customer does not hold any receivables due from the Client that would qualify for offsetting;
  - h) the Customer has not met and shall not meet their financial liability towards the Client earlier than they become obligated to pay to the Bank;
  - i) prior to the acceptance date of the Receivable Assignment Proposal they have neither executed any acts that would result in diminishing, prejudicing or challenging the Bank's rights to the Assigned Receivable nor shall they do so after such date; and
  - j) the Client's Centre of Main Interests is identical with the place of their registered office and was not moved to any different jurisdiction.

### *General positive obligations*

- 6.7. The Client shall act in accordance with statutory regulations and shall provide the agreed performance to the Customer duly and in time in line with the terms of the Business Case to prevent any challenging of the amount and legal ground of the Assigned Receivable. The Client shall in particular immediately verify the eligibility of the Customer's claim under the liability for defects of the goods or services; if eligible, the Client shall satisfy the Customer's claim without undue delay.
- 6.8. The Client shall without undue delay and at their own cost:
  - a) submit any and all documents in respect of the Assigned Receivable and the Business Case to the Bank;
  - b) submit the original counterpart of any credit note, discrepancy report, discount notice or any other similar document implying any change to the Nominal Value of the Assigned Receivable to the Bank;
  - c) submit the breakdowns of collections (payments) and notices of payments made upon receiving the same from the Customer;
  - d) recognise the assignment of the Assigned Receivables in their accounting pursuant to statutory regulations duly and in time;
  - e) attend to the Customer's rights due to defects of goods and services and other Customer's rights with the Customer duly and in time to prevent any reduction in the Nominal Value of the Assigned Receivable;
  - f) prove their ability to repay the Bank's receivable duly and in time and to meet other obligations towards the Bank under the Framework Factoring Agreement, Factoring Agreement and receivable assignment agreement;
  - g) submit documents to assess their legal and financial position;
  - h) submit all documents required to verify the Client's representations and information provided by the Client or by a third party;

- i) submit documents proving the existence of a security for the Bank's receivable;
  - j) submit copies of tax returns including annexes with confirmation of receipt by the Tax Authority to the Bank, always within 3 months of the end of a business year;
  - k) submit the following to the Bank, if the Client has a statutory duty of consolidation of financial performance figures of affiliated entities or the duty of verification of financial performance figures by an auditor:
    - ka) Consolidated financial performance figures; and
    - kb) Copies of audited financial statements along with the auditor's report on verification of the financial performance figures achieved in the business year, including the profit distribution decision, drafted in accordance with Slovakian Accounting Standards SAS (or IAS, US GAAP); within 6 months after the end of each business year;
  - l) submit to the Bank interim financial statements in standardized form SAS (or IFRS or US GAAP) covering the period from the beginning of the business year until the end of the relevant quarter, within 30 calendar days after the end of each calendar quarter;
  - m) submit to the Bank all documents, which the Client is obliged to submit to their shareholders, members or owners of shares, bonds, share certificates or interim certificates, and which the Client is obliged to publish, and this within 5 calendar days after the required date of publication of such documents;
  - n) advise the Bank of the Centre of Main Interests of the Customer and of any change thereof;
  - o) draw up an additional confirmation of assignment of the Assigned Receivable or other documents proving the assignment of the same and submit such document(s) to the Bank or to a third party stipulated by the Bank;
  - p) enforce the payment of the Assigned Receivable in their own name for the Bank's account, if authorised to do so by the Bank.
- 6.9. If the Client receives the payment of the Assigned Receivable, they shall notify the Bank thereof without delay and shall remit the payment to the Bank within 3 Business Days of its receipt. The Client shall submit to the Bank any and all documents in respect of the payment received, including a statement of the Client's account.
- 6.10. In Recourse Factoring, the Client shall assume liability and guarantee for enforceability of the Assigned Receivable in full amount of the Counter Value.
- 6.11. On the Bank's request, the Client shall submit to the Bank all accounting records and all accounting documents related to the Assigned Receivable in order to check meeting the Client's obligations under the Framework Factoring Agreement, Factoring Agreement and receivable assignment agreement and in order to verify the information included in the financial statements. The Client shall also provide assistance in this regard, including documents, information and explanations.
- 6.12. If the payment of the Assigned Receivable was secured by a pledge, guarantee, bill of exchange, cheque, documentary letter of credit or in another manner, the Client shall immediately upon the execution of the receivable assignment agreement notify the person / entity who provided the security of the assignment of the receivable in writing. The Client shall at the same time, on the Bank's request, execute any and all legal acts to fully authorise the Bank or the person / entity stipulated by the Bank to collect such security items and to make any transactions with the same without any restrictions.

*General negative obligations*

- 6.13. The Client shall not make any transactions with the receivable due from the Customer that they shall assign to the Bank, they shall in particular neither pledge the same or use the same in any other manner to secure their liabilities or any third-party liabilities, nor do anything that would or could result in any reduction in the Nominal Value of such receivable, in putting its provability into question, in any restriction or prevention of its collection, recovery, in any challenging, extinguishment or restriction of any other rights of the Bank with regard to such receivable.
- 6.14. The Client shall not, without the Bank's prior written consent, conclude any court settlement in respect of the receivable that they shall assign to the Bank or any agreement for its change, cessation, or any similar agreement resulting in its change or cessation in any other manner except for its payment.
- 6.15. In relation to the Customer in respect of whom the Client has entered into or shall enter into a Factoring Agreement with the Bank, the Client shall neither enter into any factoring or equivalent agreement with any third party, nor shall they enter into any receivable assignment agreement, nor shall they grant a mandate to any third party to collect or recover the receivable from such Customer.

*Insurance and Assurance of Receivables*

- 6.16. If the Client holds insurance covering the payment of the Assigned Receivable, they shall:

- a) transfer the right to receiving the insurance benefit and any other rights they may hold under the insurance policy with regard to the Assigned Receivable to the Bank as soon as possible pursuant to the terms of the relevant insurance policy; or
  - b) pledge the insurance premium in favour of the Bank and prove the same to the Bank at the execution of the receivable assignment agreement.
- 6.17. The Client agrees to ensure that if an insurance claim arises with regard to the Assigned Receivable, the entire insurance benefit shall be remitted to the Bank in accordance with the pledge. The Client shall further, in particular:
- a) submit a copy of the insurance policy including the terms of insurance to the Bank;
  - b) submit to the Bank the insurer's consent with the assignment of the receivable that the Client shall assign to the Bank, as well as with transferring the right to the insurance benefit, if required under the relevant insurance policy;
  - c) provide explanations and actively participate in negotiations concerning the settlement of the insurance claim; and
  - d) remit to the Bank any and all payments received from the insurer with regard to the Assigned Receivable; the insurance benefit received shall be deemed an indirect settlement of the Assigned Receivable or its part.
- 6.18. The Client further agrees to:
- a) proceed in line with the insurance policy and with the terms of insurance to ensure that the Assigned Receivable is insured until its cessation upon due settlement;
  - b) notify the Bank without delay of any amendments to the insurance policy, in particular of the decision to allocate or to change the insurance limit;
  - c) in case of an insurance claim, proceed to ensure that the insurance benefit is disbursed to the Bank as soon as possible, in particular to provide assistance, explanations and documents; and
  - d) pay the insurance premium duly and in time and submit to the Bank, on its request, the original counterpart of the confirmation issued by the insurer that the insurance premium has been paid.

*Binding Terms of Business Cases and Control Authorisations of the Bank*

- 6.19. Any and all contracts and agreements of the Client with the Customer concerning a Business Case shall always meet at least the following terms:
- a) Written documents shall contain precise and complete identification of the Parties thereto;
  - b) Clear and comprehensible terms governing quality, terms of supply and payment terms have been agreed;
  - c) Goods or services shall be delivered at arms-length terms and at usual market prices;
  - d)
  - e) Neither any letter of credit, any cash payment against documents, nor any equivalent manner of settlement of financial liabilities shall be agreed;
  - f) Each and every receivable that arose within the scope of a Business Case shall be valid and enforceable in the amount stated in the Invoice;
  - g) The Client may assign the receivable and other rights, if any, within the scope of the Business Case to the Bank;
  - h) They shall not contain any provisions limiting the Bank in making any transactions with the receivable to be assigned to the same;
  - i) They shall neither set forth any obligation to provide any advance payment nor any other agreement for any cash payment or payment for goods or services in advance of issuing the Invoice;
  - j) They shall not permit any payment of the receivable via a bill of exchange, cheque or another payment instrument issued for the name, for the order or equivalent.
- 6.20. The Bank shall always be entitled to reject receivables under a contract or under an agreement between the Client and the Customer, even if:
- the agreement does not validly stipulate the reservation of ownership in respect of the ordered goods in a manner that ownership is only transferred in the moment of complete payment of the price of the goods,
  - it is not governed by the law of the Slovak Republic or by the law of the Czech Republic according to the Client's registered office or place of business, and the application of the UN Convention on Contracts for the International Sale of Goods is not explicitly ruled out.
- 6.21. The Bank may further assign the Assigned Receivable along with interest and any related payments and with any and all rights attaching thereto to a third party. The Bank may disclose any and all information and documents on the Client, the Customer and the Business Case to a third party within a scope necessary for exercising and enforcing such receivable.

- 6.22. If, in Recourse Factoring, the Customer has not paid the Assigned Receivable to the Bank duly and in time or if there is a threat that the Customer will not pay the same, the Client shall grant their consent to the Bank that the Bank may assign the Assigned Receivable to a third party also for a consideration less than the Nominal Value of the Assigned Receivable. In such case, the Counter Value shall be deemed to have changed to the value of such consideration.
- 6.23. In order to verify correctness of the information provided by the Client or by a third party, the Client authorises the Bank to carry out internal audits of the Client's accounting ledgers and to make copies and excerpts of documents and accounting documents. The Bank may grant its authorisation to a third party within the scope of the above authorisation.
- 6.24. The Bank may inspect the goods supplied or services provided, as well as verify the Invoice issued, the delivery docket and other documents and information concerning the Business Case directly with the Customer, or with third parties, if applicable. The Client shall provide assistance to the Bank in this regard, including ensuring the Customer's assistance.

#### *Complaints*

- 6.25. The Client shall notify the Bank in writing without delay of the origination of any Dispute, and shall inform of any and all facts known to them in connection with the Dispute and submit their own opinion on the same.
- 6.26. The Dispute shall be resolved exclusively between the Client and the Customer. The Client shall apply all professional care to resolve the Dispute.
- 6.27. If the Dispute arises after maturity of the Assigned Receivable, the Bank may, on the Client's request, issue a confirmation of the change in the Counter Value, if:
- a) the rights and obligations disputed between the Client and the Customer are resolved in due course in such manner that the Client acknowledges such rights and obligations, satisfies or meets the same; and
  - b) the Bank is informed of the Dispute duly and in time.
- This shall neither prejudice the Bank's right to receiving refund of the Advance Payment, if provided, nor the Bank's right to withdraw from the receivable assignment agreement.

## 7. EVENTS OF DEFAULT AND THEIR CONSEQUENCES

### 7.1. Events of Default:

- a) The Client has violated any obligation they have under the Framework Factoring Agreement, Factoring Agreement or receivable assignment agreement;
- b) A Material Adverse Effect;
- c) The Client has, without the Bank's prior written consent, changed the deadlines, commercial, supply or payment terms of the Business Case applicable to the Assigned Receivable;
- d) The Client has not submitted the Invoice and any and all documents relating to the Assigned Receivable to the Bank duly and in time;
- e) The Bank has not received the original counterpart of the Notification Letter within 30 days of the date of receipt of the first RAT;
- f) The Customer is in arrears with payment of the Assigned Receivable or any part thereof for more than 30 days of its maturity date;
- g) The Client is in arrears with the performance of any financial or non-financial liability / obligation towards the Bank;
- h) The Client or any member of the Client's Group is in arrears with repayment of financial liabilities towards other creditors;
- i) The Client has not remitted the payment that the Customer made to the Client with regard to the Assigned Receivable to the Bank duly and in time;
- j) The goods were not supplied or the services were not provided, in respect whereof the Client has submitted the Receivable Assignment Proposal;
- k) The Client has not complied with their obligation in supplying goods or providing services within the scope of the Business Case;
- l) A Dispute arises or another fact occurs that results in exempting the Customer from their obligation to pay the Assigned Receivable or that results in restricting the Customer's obligation to do so;
- m) There are circumstances that reasonably indicate the Client or the Customer are insolvent or in crisis;
- n) The Client or any member of the Client's Group is insolvent or in crisis;

- o) Another circumstance occurred, which, in the Bank's opinion, may cause insolvency or crisis of the Client or the Customer, if this may compromise the repayment of the Bank's receivable;
- p) The Client or any member of a statutory or another body or any person authorised to act on behalf of the Client or for their account has committed a crime or has been accused of having committed the same;
- q) The Bank has learnt in a trustworthy manner about the prepared or lodged petition for bankruptcy in respect of the Client's or the Customer's assets, or about a petition for restructuring of the Client or the Customer, or about a prepared or effected entry of the Client or the Customer into liquidation, or a petition is being prepared or has been lodged for commencement of a court enforcement of a decision or an enforcement procedure or voluntary auction in respect of the Client's or Customer's assets;
- r) Action against the Bank on a petition lodged by the Client or by any member of the Client's Group or on a petition lodged by the Customer or by any member of the Customer's Group;
- s) A pledge, lien or another right to preferential or separate satisfaction in favour of a third party was established over the goods or the documents related thereto, even if conditionally, or the goods became the object of pledge, ownership, holding or detention by a third party different from the Customer in any other manner;
- t) The Assigned Receivable has not been validly or effectively assigned to the Bank;
- u) The Client and the Customer trade with each other outside of the scope of the Business Cases that the Bank was notified of or outside of the scope of arms-length business;
- v) A fact concerning the Customer, the Customer's Group, the Client or the Client's Group, which results or may result in acting in conformity, acquisition of any direct or indirect property or other interest in the Customer's or the Client's business, or the position of a controlled or controlling entity, personal interconnection or another manner of influencing the activities between the Client and the Customer;
- w) An obstacle to performance on the side of the Client or on the side of the Customer, having an impact on the Assigned Receivable, resting upon a restriction or prohibition of supply of goods or provision of services, restriction or prohibition of making payments for the goods or services;
- x) The performance of the Customer's obligation to pay the Assigned Receivable or the performance of the Client's obligation is restricted or excluded by circumstances excluding liability;
- y) The Client or any member of the Client's Group declares that they are not able to pay any financial liability of theirs to the Bank or to another creditor of theirs duly and in time, or they enter into negotiations with their creditor on restructuring of their liability or on the creditor's waiver of exercise of the creditor's rights;
- z) Any representation of the Client for the purposes of provision of factoring or the factoring services under the Framework Factoring Agreement, Factoring Agreement, or receivable assignment agreement proves to be incorrect or incomplete;
- aa) Change of the Centre of Main Interests of the Client, any member of the Client's Group or the Customer's Group into a different jurisdiction than the registered office of the Client, any member of the Client's Group or the Customer's Group;
- ab) Cessation, partial cessation or reduction in the security for the Bank's receivable, unless the Client supplemented the security for the receivable within a period stipulated by the Bank;
- ac) A breach of any relevant statutory provision by the Client or by the Customer, resulting, or possibly resulting in a Material Adverse Effect; or
- ad) A Status Change on the side of the Client or the Customer, resulting, or possibly resulting in a Material Adverse Effect.

#### *Consequences of the Event of Default*

- 7.2. If an Event of Default occurs, the Bank may perform the following acts, separately or as a combination:
- a) withdraw from any or from all executed receivable assignment agreements, where the Customer's liability to pay the Assigned Receivable has not yet ceased to exist in full;
  - b) Withhold the Counter Value or the Counter Value balance payment as a security to secure the future or not yet payable liabilities of the Client towards the Bank;
  - c) terminate the Framework Factoring Agreement or withdraw from the same; and
  - d) terminate the Factoring Agreement or withdraw from the same.
- 7.3. If an Event of Default occurs in terms of Non-Recourse Factoring on the grounds on the Customer's side, the Bank may reject and not accept the assignment of the proposed receivables held against such Customer.
- 7.4. If the Bank withdraws from the receivable assignment agreement, it shall be entitled to receiving refund of all payments that it provided to the Client in respect of the Assigned Receivable and to receiving



payment of the Consideration and Other Payments, within 3 Business Days of the date of delivery of the notice of withdrawal.

- 7.5. In case of withdrawal, any and all rights and obligations of the parties under the relevant receivable assignment agreement shall cease to exist as of the moment of delivery of the written withdrawal notice to the Client, and the Client shall without undue delay upon termination of the relevant receivable assignment agreement notify the Customer in writing that the Client has become the creditor of the respective receivable.
  - 7.6. If the receivable assignment to the Bank is invalid or ineffective, the Client shall, without any notice, refund any and all payments provided by the Bank to the Client in respect of the Assigned Receivable and pay the Consideration and Other Payments within 3 Business Days of having learned or when they could have learned about such fact.
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## 8. AMENDMENT TO THE FACTORING TERMS

- 8.1. The Bank may at any time unilaterally revoke or change the Global Factoring Limit, Factoring Limit, Guarantee Limit, currency of the assigned receivables, Maximum Invoice Maturity Period, Advance Payment Limit, Consideration, Interest Rate or Fees. The Bank shall notify the Client of any amendment to the factoring terms via a letter, facsimile, electronic mail or by phone.
  - 8.2. The amendment to the factoring terms shall become effective upon giving notice to the Client. If the amendment to the factoring terms is notified by phone, the Bank shall in turn send a written confirmation.
  - 8.3. Amendments to the factoring terms shall not prejudice any rights and obligations of the Bank and of the Client with regard to the Assigned Receivables in respect whereof the Bank has accepted the Receivable Assignment Proposal prior to the effective date of the amendment to the factoring terms.
  - 8.4. If the relevant Receivable Assignment Proposal was not accepted by the Bank until the effective date of the amendment to the factoring terms, the Bank shall assess such Receivable Assignment Proposal already pursuant to the amended factoring terms.
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## 9. SPECIAL PROVISIONS FOR NON-RECOURSE FACTORING

### *Interpretation rule*

- 9.1. If the Assigned Receivable is accepted by the Bank in terms of Non-Recourse Factoring, the provisions of this article of the PsBC shall take precedence in case of any discrepancy between the different PsBC provisions.

### *Receivable acceptance*

- 9.2. If the sum of all outstanding Assigned Receivables accepted in terms of Non-Recourse Factoring exceeded the Guarantee Limit amount upon acceptance of the Receivable Assignment Proposal in terms of Non-Recourse Factoring, the respective Receivable Assignment Proposals above the Guarantee Limit may only be accepted by the Bank in terms of Recourse Factoring; in such case, the amount of the Consideration and Other Payments shall be the same as for Non-Recourse Factoring stipulated in the Factoring Agreement.
- 9.3. If the Bank does not accept the Receivable Assignment Proposal in terms of Non-Recourse Factoring due to the fact that the Client has failed to meet the receivable assignment terms under the Framework Factoring Agreement, Factoring Agreement and receivable assignment agreement, the Bank shall include such receivable in the Administration of Receivables as a Receivable to be Collected.

### *Guarantee Payment and Counter Value Payment*

- 9.4. The origination of a Dispute shall not be deemed an insolvency or unwillingness-to-pay case.
- 9.5. If a Guarantee Event occurs and all obligations of the Client under the Framework Factoring Agreement, Factoring Agreement and receivable assignment agreement are met with regard to the relevant Assigned Receivable, the Bank shall make the Guarantee Payment.
- 9.6. The Guarantee Payment amount shall be reduced by the amount of the Advance Payment provided.
- 9.7. If the Customer duly made the payment to the Bank in relation to the Assigned Receivable prior to creation of the Client's right to the Guarantee Payment, the Client shall be entitled to receiving payment of the Counter Value or the Counter Value balance payment. No right to any Guarantee Payment shall pertain to the Client.

- 9.8. If the Customer made the payment to the Client in full in relation to the Assigned Receivable and the Client in turn remitted the payment to the Bank prior to establishment of the Client's right to the Guarantee Payment, the Client shall be entitled to receiving payment of the Counter Value or the Counter Value balance payment. No right to any Guarantee Payment shall pertain to the Client.
- 9.9. The Client shall not become entitled to any Counter Value payment upon disbursement of the Guarantee Payment. Upon disbursement of the Guarantee Payment, if it was less than the Nominal Value of the Assigned Receivable, the Client shall become entitled to the Counter Value balance payment as of the moment of due payment of the Assigned Receivable by the Customer. The Counter Value balance payment shall be in the amount of the difference between the Nominal Value of the Assigned Receivable and the sum of the Guarantee Payment and the Advance Payment, if provided.

#### *Non-Recourse Factoring*

- 9.10. In terms of Non-Recourse Factoring, the Bank shall guarantee a one-hundred-per-cent payment of the Counter Value of the Assigned Receivable, subject to meeting the terms of the Framework Factoring Agreement, Factoring Agreement and the relevant receivable assignment agreement.
- 9.11. The Bank shall disburse the Guarantee Payment to the Client if:
- a) A Guarantee Event occurs;
  - b) The Customer has not paid the respective Assigned Receivable even within a period of 400 days of occurrence of the Guarantee Event; the Bank may pay the Guarantee Payment also before expiration of such period; and
  - c) The right to the Guarantee Payment under the Framework Factoring Agreement, Factoring Agreement and receivable assignment agreement has not ceased to exist.
- 9.12. If the Assigned Receivable was only accepted in terms of Non-Recourse Factoring and the Customer was in arrears with repayment of any liabilities they have towards the Client or towards the Bank for more than 30 days in the last 12 months, the Bank is entitled to refuse to pay the Guarantee Payment for the Assigned Receivables held against such Customer. If the Bank has already made the Guarantee Payment, the Bank is entitled to request refund of the Guarantee Payment, including the Advance Payment, if provided, and to receiving the Other Payments. The Assigned Receivables from the Customer in arrears shall be treated as if they were accepted in terms of Recourse Factoring and the Client shall guarantee recoverability of the Assigned Receivables from the Customer in arrears.
- 9.13. If a Dispute arises and the Client or the Bank receive a notice of the Dispute before the Guarantee Payment is made, the lapsing of periods for creation of the right to the Guarantee Payment shall be interrupted. The Bank shall not make any Guarantee Payment and the Bank shall become entitled to a refund of the Advance Payment, if provided.
- 9.14. If the Bank has already made the Guarantee Payment, the Bank shall become entitled to receiving refund of the Guarantee Payment, including the Advance Payment, if provided, and to receiving the Consideration and Other Payments in respect of the Assigned Receivable.
- 9.15. If the Dispute is finally decided in favour of the Client and the Client proves such fact to the Bank no later than within 365 days of the maturity date of the Assigned Receivable that was the subject-matter of the Dispute, the lapsing of periods for creation of the right to the Guarantee Payment shall continue from the day when the relevant documents proving such fact were submitted to the Bank.
- 9.16. Unless a final decision is issued or unless the Dispute is resolved in favour of the Client no later than 365 days of the maturity date of the Assigned Receivable, the right to the Guarantee Payment shall extinguish and the Bank may withdraw from the relevant receivable assignment agreement.
- 9.17. The right to the Guarantee Payment shall not be created:
- a) if the Assigned Receivable or any part thereof ceased to exist upon offsetting the Customer's receivable due from the Client;'
  - b) if the aggregate amount of Assigned Receivables under a single Factoring Agreement in respect whereof a Guarantee Event has occurred does not exceed the amount of EUR 3,000.-;
  - c) if an Event of Default occurs, except for:
    - ca) Delay of the Customer with payment of the Assigned Receivable or any part thereof for more than 21 days after its maturity, except for the case if a Dispute arose in respect of such Assigned Receivable;
    - cb) A Dispute arises or another fact occurs that results in exempting the Customer from their obligation to pay the Assigned Receivable or that results in restricting the Customer's obligation to do so;
    - cc) There are circumstances that reasonably indicate the Customer is insolvent or in crisis;
    - cd) A Material Adverse Effect with regard to the Customer;
    - ce) The Bank has learnt in a trustworthy manner about the prepared or lodged petition for bankruptcy in respect of the Customer's assets, or about a petition for restructuring of the

Customer, or about a prepared or effected entry of the Customer into liquidation, or a petition is being prepared or has been lodged for commencement of a court enforcement of a decision or an enforcement procedure or voluntary auction in respect of the Customer's assets;

- 9.18. The Bank may not provide the Guarantee Payment or demand its refund:
- a) if the Client provided another performance to the Customer within the scope of a Business Case at the time when the Customer was in arrears with the payment of the due Assigned Receivable or another receivable of the Client, or if the Client was aware that the Customer was insolvent; or
  - b) if, in terms of export factoring, the Client supplies goods or commences providing the agreed performance in favour of the Customer not subject to the reservation of ownership.
- The Bank may in such case withdraw from any or from all receivable assignment agreements, where the Customer's liability to pay the Assigned Receivable has not yet ceased to exist in full.
- 9.19. If the right to the Guarantee Payment has not been created or has extinguished, the Bank shall become entitled to receiving refund of the Guarantee Payment made, including the Advance Payment, if provided, and to receiving the Other Payments.
- 9.20. If the relevant Assigned Receivable is denied in full or in part by a final decision of a court, arbitration tribunal or another authority authorised to issue such decision at any time upon disbursement of the Guarantee Payment, the Client shall within 3 Business Days of receiving the notice refund the respective Guarantee Payment, including the Advance Payment, if provided, and pay the Other Payments to the Bank.

## 10. TERMINATION OF THE FRAMEWORK FACTORING AGREEMENT AND THE FACTORING AGREEMENT

- 10.1. The Framework Factoring Agreement and the Factoring Agreement may be terminated by agreement, withdrawal or termination by notice.
- 10.2. The termination of the Framework Factoring Agreement shall result in simultaneous termination of all Factoring Agreements executed on the basis of or in connection with the Framework Factoring Agreement.
- 10.3. Any and all receivables that originated under the Framework Factoring Agreement and under the Factoring Agreement shall become due no later than as of the termination date of the same.
- 10.4. The termination of the Framework Factoring Agreement and of the Factoring Agreement shall not prejudice any rights and obligations of the parties under the individual executed receivable assignment agreements, which shall be governed by the Framework Factoring Agreement and by the applicable Factoring Agreement until the termination of the Factoring Relationship, i.e. until their full settlement.

### *Withdrawal*

- 10.5. If an Event of Default occurs, the Bank may withdraw from the Framework Factoring Agreement and from the Factoring Agreement.
- 10.6. The withdrawal shall be effective as of the date of receipt of the withdrawal notice by the Client.
- 10.7. If the Client receives the Framework Factoring Agreement withdrawal notice no later than simultaneously with receiving the Acceptance Notice, the withdrawal notice shall also be deemed the revocation of such acceptance at the same time.
- 10.8. If in Non-Recourse Factoring the Customer fails to duly pay the Assigned Receivable until creation of the Client's right to the Guarantee Payment, the Bank may withdraw from the receivable assignment agreement in the part governing the Client's co-payment amount under the Factoring Agreement in respect of such Assigned Receivable.
- 10.9. The Client may ask the Bank to revoke the assignment agreement in full or in the part governing the amount of the Assigned Receivable not paid to the Bank. If the Bank accepts the Client's request, it shall deliver a notice of ceding the Assigned Receivable to the Client. Immediately after the ceding, the Client shall refund the payment provided to the Client in connection with the receivable subject to the agreement and to pay the Consideration and Other Payments.

### *Termination*

- 10.10. Each of the parties may terminate the Framework Factoring Agreement and the Factoring Agreement by written notice. The termination notice shall become effective on lapsing of the third day from its delivery to the other party.

- 10.11. The termination of the Framework Factoring Agreement and of the Factoring Agreement by the Client shall be made by written notice and delivered to the Bank via registered mail or in person and the Bank shall confirm its receipt.
  - 10.12. During the notice period, the Client shall comply with their obligations under the Framework Factoring Agreement, the applicable Factoring Agreements and receivable assignment agreements; this shall not apply to the obligation to propose receivables due from Customers to the Bank for assignment under the applicable Factoring Agreement.
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## 11. MISCELLANEOUS

- 11.1. The Framework Factoring Agreement, the Factoring Agreement and the receivable assignment agreement and any amendments thereto shall be made in writing, unless stipulated otherwise.
  - 11.2. Any written acts of the Client shall be signed by an authorised person. In cases of doubt, the signature or initials of the acting person shall be deemed the signature of the authorised person.
  - 11.3. The Bank may also accept the delivery of documents stipulated by the Bank from the Client's e-mail address agreed as the Client's address for correspondence. The Bank may always ask for the original of the document to be submitted.
  - 11.4. Factoring shall refer to the assignment of the Client's receivables due from a particular Customer in a Business Case to the Bank, and the English term factoring shall have the same meaning as the Slovak term faktoring.
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## 12. FINAL PROVISIONS

- 12.1. The Bank may unilaterally amend the PsBC on the following grounds:
  - a) Change to statutory regulations;
  - b) Development on the banking or financial market, which is capable of having an objective impact on the provision of Bank Products or on the terms, on which such products are provided;
  - c) Any change of technical possibilities for providing Bank Products;
  - d) With a view to ensuring safe functioning of the banking system; or
  - e) With a view to ensuring compliance by the Bank with prudential regulations and banking stability.The Bank shall inform of the amendment to the PsBC by Publication no later than 15 calendar days in advance.
- 12.2. The Bank may supplement the PsBC due to expanding the range of Bank Products or bank services. The Bank shall inform of the supplementation of the PsBC by Publication no later than 1 calendar day in advance.
- 12.3. The amendment to the PsBC shall take effect on the day stated in the PsBC.
- 12.4. The PsBC shall survive the termination of the contractual relationship between the Client and the Bank until full settlement of their mutual relationships.
- 12.5. The PsBC shall enter into force on 1 September 2015. As of the effective date of the PsBC, the General Business Conditions for Factoring provided by Slovenská sporiteľňa, a. s., with effective date since 1 June 2003 as amended shall be revoked and replaced by the PsBC and by the General Business Conditions of Slovenská sporiteľňa, a. s. effective since 1 January 2015.

Slovenská sporiteľňa, a. s.

Tomášikova 48, 832 37 Bratislava

Identification number (IČO): 00 151 653

Registered in the Commercial Register of the Bratislava I District Court, Section Sa, File No.: 601/B

BIC SWIFT: GIBASKBX

VAT No.: SK7020000262

Tax ID No.: 2020411536



## KONTAKTNÉ ÚDAJE

[www.slsp.sk](http://www.slsp.sk)

E-mail: [info@slsp.sk](mailto:info@slsp.sk); [ombudsman@slsp.sk](mailto:ombudsman@slsp.sk)

Sporotel: 0850 111 888



## ORGÁN DOHL'ADU

National Bank of Slovakia

Imricha Karvaša 1, 813 25 Bratislava