

General Terms and Conditions for Issuance of Bank Guarantees

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1. Terms used in these General Terms and Conditions:

1.1. **Terms Against Prohibited Conduct** – principles drafted by the Bank with the aim of preventing certain prohibited conduct in the activities of the Applicant, a participant of the Applicant's Group or their representatives, officers and BO, available on the Bank's website:

https://www.citadele.lt/storage/app/media/files/terms/Terms_against_prohibited_conduct_lt_en.pdf.

1.2. **Bank** – akciju sabiedrība (joint-stock company) "Citadele banka", registration No.40103303559, registered office: Republikas laukums 2A, Rīga, LV-1010, acting through AS "Citadele banka" Lithuanian branch, registration No. 304940934, registered office at Upes str. 21-1, LT-08128 Vilnius.

1.3. **Bank's Group** – AS "Citadele banka", registration No 40103303559, all foreign branches of AS "Citadele banka", subsidiaries of AS "Citadele banka", subsidiaries of AS "Citadele banka" subsidiaries.

1.4. **Pricelist** – the pricelist of products and services of the Bank concerning trade finance.

1.5. **Financial Collateral Account** – a special account opened by the Bank based of the Agreement, linking it to the data of the Applicant, and the funds which serve as Collateral.

1.6. **Guarantee** – a written undertaking by the Bank to pay to the Beneficiary any amount up to the Guarantee Amount according to the terms and conditions of the Guarantee.

1.7. **Expiry Date of the Guarantee** – the date indicated in the Guarantee by which the Beneficiary is entitled to submit the Demand to the Bank according to the terms and conditions of the Guarantee.

1.8. **Guarantee Line Limit** – the maximum amount within the limits of which the Applicant may request issuing of Guarantees and the Bank issues Guarantees under the Agreement.

1.9. **Applicant** – a legal entity, upon request of which the Bank issues the Guarantee.

1.10. **Applicant's Group** – the Applicant, its BOs and all legal entities with regard to which any BO of the Applicant, severally or in combination with other parties, can directly or indirectly exercise decisive influence in the interpretation of the applicable legislation of the Republic of Lithuania. This refers to the capacity to, directly or indirectly:

- a) control (regularly or occasionally) the decision-making of a legal entity's executive bodies, whether by exercising participation or not,
- b) appoint a number of members of a legal entity's supervisory or executive body that would provide the party exercising decisive influence a majority of votes in said body.

1.11. **Beneficiary** – a private person or legal entity in favour of which the Bank issues the Guarantee.

1.12. **Guarantee Amount** – the maximum amount of money specified in the Guarantee up to which the Bank undertakes to pay to the Beneficiary according to the terms and conditions of the Guarantee upon receipt of the Demand.

1.13. **Account** – current account opened with the Bank in the name of the Applicant and which the Applicant has

specified to the Bank as the account from which to make payments related to the Guarantee.

1.14. **Agreement** – an agreement between the Bank and the Applicant for the issuance of Guarantees consisting of the Application and the General Terms and Conditions and, if the Agreement is concluded with the Special Terms, it consists of the General Terms and Conditions and the Special Terms.

1.15. **Penalty** – the payment, which the Applicant must make in the event of delay of a payment and/or improper fulfilment of obligations under the Agreement.

1.16. **Collateral** – collateral securing the fulfilment of obligations under the Agreement by the Applicant.

1.17. **Current Account** – current accounts opened with the Bank in name of the Applicant, incl. the Account.

1.18. **General Terms and Conditions** – these General Terms and Conditions for Issuance of Bank Guarantees, which are available on the Bank's website www.citadele.lt.

1.19. **Underlying Transaction** – obligations of the Applicant towards the Beneficiary under the contract, tender conditions, a law or regulation or other document, transaction or other basis, for the fulfilment of which the Guarantee is issued.

1.20. **Application** – a written application of the Applicant prepared as required by the Bank, by which the Applicant requests the Bank to issue the specific Guarantee.

1.21. **BO** – beneficial owner, an individual who owns over 25 per cent of capital shares or voting stocks in the Applicant through direct or indirect participation, or who controls it either directly or indirectly, or in the name, interest, or for the benefit of whom business relations with the Bank are established. If the Law on the Prevention of Money Laundering and Financing of Terrorism establishes other criteria for determining the beneficial BO, then the requirements of this law are applied to determine the BO.

1.22. **Parties** – the Bank and the Applicant.

1.23. **Event of Default** – any events or circumstances specified in Clause 12.1 of the General Terms and Conditions and in the case that the Special Terms are concluded, the event or circumstances referred to therein also qualify as the Event of Default.

1.24. **Payment Date** – the date on which the Bank pays the demanded amount to the Beneficiary and on which the Applicant shall pay such amount to the Bank upon the Bank's request.

1.25. **Demand** – the Beneficiary's request prepared in accordance with the terms and conditions of the Guarantee to the Bank to pay the Guarantee Amount or a part thereof.

1.26. **Special Terms** – a written agreement between the Parties outlining additional and/or different terms and conditions signed in addition to the General Terms and Conditions applicable to the relationship between the Parties in connection with the issuing and handling of Guarantees, if agreed upon by the Parties.

1.27. **International Rules** – 'ICC Uniform Rules for Demand Guarantees', International Chamber of Commerce publication No 758, 2010 revision.

1.28. **Sanctions Law** – the Law on International Sanctions of the Republic of Lithuania and/or the related international and national normative documents and/or documents issued by the supervisory authority of the banks.

1.29. **Sanctions** – any financial, civil or other restrictive

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measures and/or embargoes (including “sectorial sanctions”), implemented fully or partially, directly or indirectly against particular persons, goods or services, countries or territories or any other entities or activities by:

- a) United Nations Security Council;
- b) European Union;
- c) Latvia, Lithuania or Estonia;
- d) United States of America (including U.S. Department of the Treasury Office of Foreign Assets Control (OFAC));
- e) by any other country with regards to any person, business relationship, transaction, dealing or other activity involving nexus with the particular country; and/or
- f) any public institution of the aforementioned countries or organizations.

1.30. **Term Deposit** – a deposit of the Applicant placed with the Bank for a fixed period of time.

1.31. **GTB** – the General Terms of Business of the Bank.

1.32. Other binding terms and their explanations are provided in the Special Terms (if any) and the GTB.

2. General Provisions

2.1. The General Terms and Conditions determine the process for issuing and handling Guarantees, the rights and obligations of the Parties.

2.2. If any provision of the General Terms and Conditions contradicts any provision of the Special Terms, the relevant provision of the Special Terms shall prevail.

2.3. If the Bank issues the Guarantee on the basis of a counter-guarantee acceptable to the Bank and issued by another bank, the General Terms and Conditions shall apply to the extent that they do not conflict with that counter-guarantee.

3. Issuance of the Guarantee

3.1. The Bank shall consider issuing the Guarantee after all of the following conditions are met:

3.1.1. the Bank has received the Application signed by the Applicant, the form and content of which is acceptable to the Bank;

3.1.2. upon request of the Bank, the Applicant has provided the Bank with such additional information in the form acceptable to the Bank, which the Bank deems necessary for the issuance of the Guarantee.

3.2. If, in accordance with Clause 3.1 of the General Terms and Conditions, the Bank decides to issue the relevant Guarantee, the Bank shall issue the Guarantee only on the condition that:

3.2.1. in the event that the Collateral is funds in the Financial Collateral Account, the Applicant shall credit funds to the Financial Collateral Account in the amount and currency of the Guarantee to be issued. The Applicant agrees that the Bank shall be entitled to debit the Account for the funds required for the fulfilment of the above obligations of the Applicant;

3.2.2. if the Collateral is the Term Deposit, and the Term Deposit has been blocked to secure the fulfilment of the obligations of the Applicant under the Agreement, if necessary;

3.2.3. the Applicant has fulfilled the preconditions to issuing the Guarantee specified in the Special Terms (if any);

3.2.4. the Bank has received the commissions and fees

for the issuance of the Guarantee in accordance with the Pricelist and the Agreement;

3.2.5. the Bank and the Applicant have agreed on the text of the respective Guarantee if, at the written request of the Applicant or at the Bank's discretion, the Bank must obtain a written approval of the Applicant on the text of the Guarantee prior to issuance of the Guarantee (the Parties agree that an approval received from the Applicant by e-mail shall serve as a written approval). The Bank is entitled not to change the text of the Guarantee at the request of the Applicant, if the amendments to the text are not acceptable to the Bank.

3.3. Upon acceptance of the Application, the Bank shall not assume any obligation to issue the Guarantee and the Bank shall have the right to refuse to satisfy a request of the Applicant without providing a written explanation of reasons for refusal to issue the Guarantee.

3.4. The Applicant shall be responsible for the accuracy and completeness of information specified in the Application. The Applicant shall be liable for any losses incurred by the Bank as a result of false, inaccurate or incomplete information in the Application.

3.5. The Bank issues the Guarantee according to its standard form. If the Application is accompanied by a sample text of the Guarantee acceptable to the Bank, the Bank shall issue the Guarantee in accordance with such sample. If the sample of the Guarantee attached to the Application is not acceptable to the Bank, the Bank shall be entitled to amend such sample text of the Guarantee or refuse to issue the Guarantee.

3.6. Upon receipt of the Guarantee, the Applicant shall read the text of the Guarantee. By accepting the Guarantee, the Applicant certifies that the Applicant has read the text of the Guarantee and that the Guarantee complies with the Application. If the Applicant has requested the Bank in the Application to issue the Guarantee by transferring/sending it directly to the Beneficiary, the Applicant assumes all risks of compliance of the content of the Guarantee with the requirements of the Beneficiary.

3.7. The Bank shall hand over the original of the Guarantee to the Applicant or send it to the Beneficiary according to the conditions indicated in the Application. The Bank shall not be liable for losses inflicted upon the Applicant if the Beneficiary has refused to accept the Guarantee containing the information specified in the Application.

3.8. From the moment the Bank issues the relevant Guarantee based on the Application, the Bank shall be deemed to have entered into an agreement with the Applicant for the issuance of the relevant Guarantee, under which the Bank provides a financial service with credit risk to the Applicant.

3.9. The Bank shall be entitled not to issue the Guarantee if any of the Event of Default have occurred or if any of the following circumstances have come into effect:

3.9.1. the Bank has information that the Beneficiary or its beneficial owner:

3.9.1.1. is a person against whom directly or indirectly, fully or partially Sanctions have been imposed or are applicable;

3.9.1.2. has directly or indirectly violated and/or performed activities with the aim to violate or evade

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Sanctions and/or binding normative acts in the field of Sanctions or prevention of money laundering, terrorist financing or proliferation financing;

3.9.1.3. is directly or indirectly engaged in activities that contain increased sanctions risk factors as defined by the Bank;

3.9.2. the Bank is unable to identify the Beneficiary or its beneficial owner in accordance with the requirements of the laws and regulations applicable to it;

3.9.3. the Bank has information that the Beneficiary is a person who complies with the characteristics of a shell bank within the meaning of the laws and regulations governing the prevention of money laundering and terrorism financing.

4. The Financial Collateral

4.1. Term Deposit Collateral

4.1.1. The conditions outlined in the Clauses 4.1.2-4.1.5 and 4.2 if the General Terms and Conditions shall be binding only in cases where the Applicant chooses the Term Deposit as the Collateral in the Application.

4.1.2. The Term Deposit serves as the Financial Collateral in the amount equal to the Guarantee Amount. The term of the Term Deposit shall be at least 15 days longer than the Expiry Date of the Guarantee.

4.1.3. It is deemed that the Term Deposit becomes the Financial Collateral and it has been provided and transferred to the Bank from the moment the Agreement enters into force, and the Bank has made an entry at the Term Deposit account certifying that the Term Deposit is the Financial Collateral on the grounds of the Agreement.

4.1.4. During the term of the Agreement, the Term Deposit in the amount of the Collateral shall not be paid out to the Applicant.

4.1.5. The Term Deposit serving as the Collateral shall remain valid until the Applicant has fulfilled all their obligations under the Agreement. If the Term Deposit expires earlier than the Applicant fulfils its obligations under the Agreement, it is deemed that the Term Deposit Acceptance and Service Agreement is extended until the Applicant has fulfilled all their obligations under the Agreement and the Bank shall discontinue calculating interest on the Term Deposit. Upon complete fulfilment of the obligations of the Applicant under the Agreement, the entry made at the Term Deposit account with regard to the fact that the funds in the account serve as the Collateral is deleted.

4.2. Disposal of the Term Deposit Collateral

4.2.1. The Bank is entitled to dispose of the Term Deposit serving as the Collateral provided by the Applicant in case of any of the following events:

4.2.1.1. any payment to be made by the Applicant under the Agreement is not made within the term set in the Agreement;

4.2.1.2. any of the Event of Default have occurred;

4.2.1.3. a third person's claim is raised against funds of the Applicant.

4.2.2. In case of occurrence of any circumstance stipulated in Clause 4.2.1 of the General Terms and Conditions, the Bank is entitled to perform the following actions unilaterally at its discretion without notifying the Applicant:

4.2.2.1. to use the Term Deposit or a part thereof for reduction or repayment of the obligations of the Applicant under the Agreement;

4.2.2.2. not to pay interest on the Term Deposit.

4.3. Collateral - the funds in the Financial Collateral Account

4.3.1. The conditions outlined in the Clauses 4.3.2-4.3.6 of the General Terms and Conditions shall be binding only in cases where the Applicant chooses the funds in the Financial Collateral Account as the Collateral in the Application.

4.3.2. In accordance with the provisions of the Law on Financial Security Agreements of the Republic of Lithuania, the Applicant, by means of the Agreement, pledges the above Financial Collateral Account and the funds contained therein in favour of the Bank, in order to secure fulfilment of the Applicant's obligations under the Agreement, incl. for making payments in accordance with the Demand.

4.3.3. The Collateral in regard of the funds in the Financial Collateral Account is established, provided and handed over to the Bank's possession from the moment, the Agreement enters into force, the funds have been transferred into the Financial Collateral Account.

4.3.4. The Collateral in regard of the funds in the Financial Collateral Account remains valid with no funds disbursed to the Applicant in full nor in part until the Applicant has fulfilled all its obligations under the Agreement.

4.3.5. The Bank is entitled to use the funds in the Financial Collateral Account for making the Guarantee Amount payment in accordance with the procedure stipulated in Clause 6 of the General Terms and Conditions. The Bank is entitled, without any prior notice to the Applicant to use the funds in the Financial Collateral Account for any past due payment under the Agreement, incl. fees and commissions.

4.3.6. After fulfilment of the Applicant's obligation under the Agreement and expiry of the Agreement the Bank shall transfer the funds remaining in the Financial Collateral Account, if any, to the Account and close the Financial Collateral Account.

4.4. According to the mutual agreement of the Parties, proper fulfilment of the Applicant's obligations under the Agreement shall be secured by the pledge of existing and future funds held in Current Accounts, and the present Agreement is considered to be a pledge agreement the object whereof is said funds. This pledge is a maximum pledge that secures also the forfeit, loss incurred by the Bank and all other payments. Maximum pledge amount shall be the total amount of the Guarantee Line Limit increased by 50% (fifty percent). The date on which the debt amount of maximum pledge is to be fixed shall not be set. As the pledge object is transferred to the Bank, the pledge shall come into effect from the moment the Agreement becomes valid, and the pledge with respect to the funds in the accounts opened after the Agreement becomes valid – from the moment such account is opened (in case the restrictions are imposed on pledge of funds at the mentioned moment when the pledge is to become effective, pledge of funds in such account shall come into effect when these restrictions are lifted). The Applicant undertakes to protect the funds held in the mentioned

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account from transfer or pledge to third persons, seizure, disputes concerning them in court and/or arbitration, any rights of third persons to such funds and from restrictions of their disposal. The Bank shall become entitled to claim recovery at the Loan maturity and also when the Bank becomes entitled to demand the discharge of the obligations hereunder before its expiration as provided for in the Agreement.

5. Legal Nature of the Guarantee

5.1. The International Rules shall apply to the Guarantee, if expressly indicated so in the text of the Guarantee.

5.2. The Applicant acknowledges and agrees that the Guarantee subject to the International Rules, establishes an abstract and independent Bank's obligation from the Applicant's obligation under the Underlying Transaction. It means that:

5.2.1. the Bank shall pay the demanded amount (up to the Guarantee Amount) in the currency specified in the Guarantee to the Beneficiary upon receipt of the Beneficiary's first written Demand and - if required by the Guarantee - also other documents stipulated by the Guarantee, provided that the Demand and other documents stipulated by the Guarantee comply with the terms and conditions of the Guarantee and are received by the Bank until the Expiry Date of the Guarantee;

5.2.2. the Guarantee shall not be void if, for any reason, the obligation secured by the Guarantee is void under the Underlying Transaction;

5.2.3. upon receipt of the Demand the Bank shall not be entitled to use claims or defences of the Applicant, which the Applicant may claim against the Beneficiary in respect of the secured obligation under the Underlying Transaction.

6. Payment of the Guarantee Amount

6.1. Upon receipt of the Demand and the supporting other documents, if required in the Guarantee, the Bank shall examine the submitted documents to determine their compliance with the terms and conditions of the Guarantee.

6.2. If the Bank, following such examination, has determined that the Demand complies with the terms and conditions of the Guarantee, the Bank shall send a written notice to the Applicant stating the amount payable to the Beneficiary, the Payment Date and asking the Applicant to ensure such amount in the Account, if necessary.

6.3. The Payment Date may not be earlier than 3 (three) business days of the Bank from the date of sending of the Bank's notice specified in Clause 6.2 of the General Terms and Conditions.

6.4. The Applicant shall pay the amount indicated in the Bank's notice to the Bank by the Payment Date, crediting the necessary funds to the Account.

6.5. The Bank is entitled, immediately after receipt of the Demand, to block the funds in the Current Accounts to the extent necessary for the payment of the amount specified in the Demand until the Applicant has fulfilled its obligations under Clause 6.4 of the General Terms and Conditions.

6.6. If the Bank has any obligation under the terms and conditions of the Guarantee to pay any amounts to the

Beneficiary, then the Bank makes the payment to the Beneficiary on the Payment Date, without a separate request of the Applicant:

6.6.1. debit the Financial Collateral Account for the demanded amount if the Collateral is funds in the Financial Collateral Account, **or**

6.6.2. debit any Current Account for the demanded amount (and, if necessary, convert funds in the Current Account into the currency of the demanded amount at the Bank's exchange rate for non-cash transactions at the time of conversion), if there are no sufficient funds in the Financial Collateral Account to pay the demanded amount or if there is another Collateral under the Agreement securing the fulfilment of the obligations of the Applicant under the Agreement;

6.7. The Bank is entitled to determine unilaterally the procedure for cancellation of the Bank's claims against the Applicant, subject to the requirements of the laws and regulations.

6.8. The amount of Bank's obligations under the Guarantee reduces by each payment made by the Bank under the Guarantee according to the Demand.

7. Fees and Other Payments and Their Payment Procedure

7.1. Unless otherwise agreed between the Parties, the Applicant shall pay to the Bank the fees and commissions for the services according to the Pricelist. The payment shall be made on the day the Bank provides the respective service.

7.2. The Applicant shall pay the relevant commissions for the issuance of the Guarantee to the Bank before the Guarantee is issued.

7.3. The commission for utilization of each Guarantee shall be calculated for every calendar day, starting from the day of issue of each Guarantee (including) and until the day when the Bank's obligations under such Guarantee cease (including), applying the annual interest rate specified in the Pricelist in force on the day of submission of the Application or the annual interest rate specified in the Special Terms (if they were signed and they specify the fee), assuming that a calendar year consists of 360 (three hundred and sixty) days.

7.4. The commission for utilization of each Guarantee, which is specified in Clause 7.3 of the General Terms and Conditions, shall be paid starting from the next calendar month after the issue of each Guarantee until the 1st (first) day of each calendar month, and the Applicant shall ensure the funds sufficient for payment of the commissions, which is calculated for each day of utilization of the Guarantee in the previous calendar month, in the Account. The Bank has the right to withhold the commission for the entire duration of the Guarantee in advance at the Bank's discretion.

7.5. If the amount of the commission stipulated in the Special Terms differs from the amount specified in the Pricelist, the commissions stated in the Special Terms shall be applied.

7.6. The Applicant shall bear any and all costs and expenses of the Bank (including mail, telecommunications, courier and other costs) and commission fees of other credit institutions incurred by the Bank in connection with

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the issue and handling of the Guarantee issued according to the Application.

7.7. The Bank is entitled to determine a fee for the services, which are not included in the Pricelist but necessary for the performance of the request of the Applicant.

7.8. The contractual payments shall be deemed to have been paid when the funds concerned are provided to the Account and have been debited by the Bank for the purposes of fulfilling payment obligations. If the Bank states a different account for a certain payment, the payment shall be deemed executed once the Applicant remits the relevant amount to the account specified by the Bank.

7.9. The deadline for executing payments specified in the Agreement shall be 10 p.m. (Lithuanian time) on the stated date of payment.

7.10. The Bank is entitled to debit the Current Account, without separate instruction of the Applicant, for the funds required for any payment due under the Agreement, which has not been made, incl. to pay fees and commissions as well as, if necessary, to convert the funds in the Current Accounts into the currency required for making a specific payment at the non-cash currency exchange rate set by the Bank at the time of conversion.

7.11. **Late Payment Penalty:** If the Applicant delays any payment under the Agreement, the Bank is entitled to charge the Late Payment Penalty to the amount of 0.15% of any amount the payment of which is overdue under Agreement per each day of delay starting with the 1st (first) day in arrears. The Bank is entitled to charge the Late Payment Penalty to the amount of 0.2% of any amount the payment of which is overdue under Agreement per each day of delay starting with the 30th (thirtieth) day in arrears and ending on the day (inclusive) on which the Applicant discharges the late payment in full (without excluding or limiting Bank's rights specified in Clause 12 "Liability" of the General Terms and Conditions and in Clause "Liability" of the Special Terms, if such have been concluded). The Applicant undertakes to pay such Late Payment Penalty to the Bank when making the delayed payment.

7.12. **Other Contractual Penalties:** The Bank is entitled to receive and the Applicant undertakes to pay the Contractual Penalty to the Bank for its failure to properly fulfil the obligations under the Agreement, i.e., for failure to submit information and/or documents to the Bank within the deadline and under the procedure set forth in the Agreement – in the amount of 0.05% from the Guarantee Amount or if the Special Terms are signed – from the Guarantee Line Limit but within the limits of EUR 10 minimum to EUR 700 for each day of failure to fulfil the obligations properly, for failure to properly fulfil any other obligations of the Applicant under the Agreement which were not yet stipulated in the General Terms and Conditions – in the amount of 0.25% from the Guarantee Amount, and if the Special Terms are signed – in the amount of 0.25% from the Guarantee Line Limit per each case of failure to fulfil the obligations properly. The Applicant shall be obliged to, within the term specified by the Bank, but no less than in 10 (ten) days after the Bank sends the relevant request to the Applicant, pay to the Bank the Contractual Penalty set forth in this Clause of the

General Terms and Conditions.

7.13. The Late Payment Penalties and Contractual Penalties may accrue until the moment when it reaches the limits of the maximum amount of a penalty stipulated in the laws and regulations of the Republic of Lithuania, if any. The penalty payment does not release the Applicant from fulfilment of other obligations under the Agreement.

8. Obligations of the Applicant

8.1. The Applicant shall have the following obligations throughout the term of the Agreement:

8.1.1. to immediately, within no more than 3 (three) business days, notify the Bank about accidents or events related to the Applicant's activities when violations of legislation and/or Sanctions may be applied to the Applicant or where a significant unfavourable impact on the environment, the health or safety of the public or employees, has occurred or might occur, and to take every feasible action towards remedying/eliminating unfavourable consequences, informing the Bank thereof;

8.1.2. to allow representatives of the Bank within their competence to inspect the Applicant and its activities (financial and economic activities), including, but not limited to visit Applicant's administrative and business premises, to inspect the Applicant's production, trade, etc. premises, perform audits and check the material and technical resources, raw materials used in his business and finished products, to interview the Applicant's representatives, ask for explanations, to review Applicant's financial, economic activity documents, as well as receive copies. The Bank shall notify the Applicant about a planned visit no less than 3 (three) business days in advance;

8.1.3. to take appropriate measures to ensure that the Applicant and members of the Applicant's Group, their representatives and BO comply with the requirements set out in the Sanctions Regulations;

8.1.4. at the Bank's request, which cannot be more often than once a year, to submit to the Bank a relevant written confirmation in accordance with the form specified by the Bank regarding compliance with health protection, competition regulatory acts, occupational safety, labour rights and environmental protection regulatory acts;

8.1.5. to comply with the legislation of the EU and the Republic of Lithuania, as well as other legislation applicable to the Applicant, if the Applicant carries out economic or any other activity outside the EU;

8.1.6. to take appropriate measures to ensure that the Applicant and members of the Applicant's Group, officers, their representatives and BO in their actions observe and are following Terms Against Prohibited Conduct;

8.1.7. to ensure that the Applicant obtains all necessary permits/licenses and other decisions of institutions, which are necessary to carry out the Applicant's business and that they are valid during the effective term of the Agreement.

8.2. The Applicant shall not have the right to perform the following actions without agreement thereon with the Bank:

8.2.1. to sign a concern agreement or management agreement or management and profit transfer agreement;

8.2.2. to allow taking a decision on winding up, reorganizing (restructuring) and/or significantly modifying

economic activity of the Applicant or any member (legal entity) of Applicant's Group where Applicant's share exceeds 50% or which is controlled, directly or indirectly, by the Applicant in any other way;

8.2.3. to allow that changes are made to the number and/or proportions of the list of owners, list of BOs, shares owned by shareholders of the Applicant or other member (legal entity) of Applicant's Group where Applicant's share exceeds 50% or which is controlled, directly or indirectly, by the Applicant in any other way;

8.2.4. to allow reduction/increase of the equity capital and/or nominal value per share of the Applicant and/or member (legal entity) of Applicant's Group where Applicant's share exceeds 50% or which is controlled, directly or indirectly, by the Applicant in any other way;

8.2.5. to transfer all or a part of the Applicant's business to a country that is not part of the European Economic Area.

9. Submitting Information to the Bank

9.1. The Applicant shall be obliged to submit the following documents and other information to the Bank within the deadline stipulated by the Bank – at least 5 (five) business days from the Bank's request:

9.1.1. the Applicant (including its owners/shareholders, BO), its financial standing, accounts and transactions and/or economic activity that the Bank deems necessary or that the Bank must receive in accordance with applicable legislation;

9.1.2. measures against corruption, fraud and/or economic crime taken by the Applicant's Group member, representative and/or BO;

9.1.3. fulfilment of the obligations specified in the Agreement.

9.2. The Applicant shall be obliged to notify the Bank of the following immediately or no later than 5 (five) business days from the occurrence of the respective event or the moment it has become known to the Applicant:

9.2.1. changes to Applicant's Articles of Association, correspondence address, email address or equivalent documents or data;

9.2.2. planned or implemented changes in the composition of the Applicant's owners, BO, changes;

9.2.3. any situation, allegation or information when applicable Sanctions or Sanctions Regulations and/or in the Terms against Prohibited Conduct may be applied to activity or status of Applicant and/or any member of the Applicant's Group, its shareholder, employee, representative or BO;

9.2.4. any circumstances have occurred that affect or may affect the Applicant's ability to properly fulfil its obligations under the Agreement.

9.3. The Applicant shall be obliged to, immediately upon becoming aware, notify the Bank about changes in the composition of shareholders/stockholders, proportion of held stocks/capital shares or share capital among shareholders/stockholders of the Applicant's Group (legal entities) in which the Applicant and another member of the Applicant's Group have one and the same BO or in which the Applicant has decisive influence (according to applicable law). The aforementioned obligation of the Applicant shall not apply to public joint-stock companies.

10. Limitations to the Bank's Liability

10.1. The Bank is not responsible for inaccuracies, errors, delays caused by telecommunications, electronic data transmission systems, mail or courier mail. Similarly, the Bank is not responsible for errors or inaccuracies made by the correspondent banks executing the Bank's instructions.

10.2. The Bank assumes no liability or responsibility for the form, sufficiency, accuracy, genuineness, falsification or legal effect of the Demand or any other documents submitted to the Bank, the content thereof, any statements made therein, the quantity, quality or existence of the goods and services, as well as for cases when a document has been signed by a person who does not have the right of representation.

10.3. The Bank is not responsible for the execution of the Underlying Transaction, nor shall the Bank be bound by it, even though the Guarantee makes a reference thereto.

10.4. The Bank is not responsible for any loss sustained by the Applicant as a result of any act or omission of any third party or due to any failure of any third party to perform its obligations for any reason whatsoever.

10.5. The occurrence of force majeure circumstances shall relieve the Bank of its obligation under the Guarantee until such circumstances and their consequences have been remedied. The Bank is not responsible for any loss or damage suffered by the Applicant for Guarantee as a result of force majeure circumstances.

10.6. The Bank is not responsible for any delay, non-payment, other action or inaction compelled by Sanctions Regulations.

10.7. The Bank shall have the recourse rights against the Applicant in any case if the Bank makes the payment requested in the Applicant's Demand and regardless of whether the Applicant has received the notice stipulated in Clause 6.2 of the General Terms and Conditions and/or Guarantee and/or the Underlying Transaction shall be cancelled, disputed or found void.

10.8. The Applicant shall not have the recourse rights against the Bank based on the fact that in the course of fulfilling Guarantee obligations the Bank has failed to raise any objections or claims against the Applicant that it could have raised against the Applicant.

11. Data processing.

11.1. Processing of personal data at the Bank is carried out in order to ensure the implementation of the obligations and rights specified in the General Terms and Conditions, the Agreement, Special Terms and legal acts, providing that the natural person's rights are exercised in accordance with its approved Personal Data Protection Principles (available on the Bank's website www.citadele.lt). The Applicant, as the controller, is responsible for the lawfulness of personal data transfer to the Bank and for informing all involved natural persons about personal data processing by the Bank and their rights thereof. Informing about the Bank's personal data processing and related rights of natural persons shall be implemented at least to the extent as mentioned in this Clause of the General Terms and Conditions.

11.2. The Applicant may find out the information about credit information bureaus with which the Bank has

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concluded agreements on the provision and receipt of data from the Bank, available at the Bank's website www.citadele.lt.

12. Liability

12.1. **Events of Default.** The following events and circumstances shall constitute an Event of Default:

12.1.1. the Applicant fails to make any payment deadline stipulated in the Agreement for over 30 (thirty) days;

12.1.2. any of the Collaterals is contested, declared invalid, substantially damaged or decreased in scope, subjected to the claims of third parties, and within 30 (thirty) days after the Bank has sent respective written notice, the Applicant has not offered and the Parties have not agreed on a new Collateral and/or on reduction of the Guarantee Line, in case the Special Terms are concluded;

12.1.3. the business activity of the Applicant, its shareholder, holding a stake in excess of 50% or otherwise possessing direct or indirect control of the Applicant, is terminated or suspended, or the Applicant, its shareholder holding a stake in excess of 50% or otherwise possessing direct or indirect control of the Applicant, commences liquidation;

12.1.4. the insolvency proceedings of the Applicant are declared;

12.1.5. any representation made by the Applicant is or proves to have been incorrect or misleading;

12.1.6. the Applicant has supplied the Bank with forged documents or false or incomplete information before the signing of the Agreement or in the course thereof;

12.1.7. the Applicant fails (has failed) and within 10 (ten) business days of the warning notice sent by the Bank fails to fulfil any of its obligations set forth in Clause 8.1 and/or 9 of the General Terms and Conditions;

12.1.8. the Bank or a company in the Bank's Group unilaterally determines a new final repayment date or terminates any other agreement (arrangement) between the Applicant and the Bank or between a company in the Bank's Group regardless of whether such agreements (arrangements) are concluded prior or subsequently to the conclusion of the Agreement;

12.1.9. the Bank has information that the Applicant and/or another participant of the Applicant's Group, its employee, BO and/or representative:

12.1.9.1. is a person against whom directly or indirectly, fully or partially Sanctions have been imposed or are applicable;

12.1.9.2. has directly or indirectly violated and/or performed activities with the aim to violate or evade Sanctions and/or binding normative acts in the field of Sanctions or prevention of money laundering, terrorist financing or proliferation financing;

12.1.9.3. is directly or indirectly engaged in activities that contain increased sanctions risk factors as defined by the Bank.

12.1.10. the Bank has information that the Applicant and/or company of the Applicant's Group, its officer (e.g. member of management board, head of department or division), BO and/or representative has violated or does not observe Terms against Prohibited Conduct;

12.1.11. any of the activities listed in Clause 8.2 of the General Terms and Conditions have been performed

without prior agreement thereupon with the Bank.

12.2. If any of the Events of Default, specified in the General Terms and Conditions occur, the Bank shall have the right to freeze any of Applicant's Current Accounts and/or request that the Applicant deposits money into the account and within the deadline stipulated by the Bank in the amount sufficient to cover the expected Guarantee-related payments (fees and commissions and other payments).

12.3. No failure to exercise any right under the Agreement or applicable law or partial exercise of any right will prevent any further exercise or the exercise of any other Bank's right under the Agreement or under applicable law.

13. Correspondence

13.1. Notices, warnings, requests specified in the Agreement and other information related to the Agreement shall be deemed duly sent if sent in the manner specified below, and it shall be deemed received within the respective term specified below:

13.1.1. sent to the legal address and/or correspondence address of the Applicant, which has been specified to the Bank, – on the third day after submission of a postal item to a post office;

13.1.2. delivered to the Applicant by hand – at the moment of delivery;

13.1.3. a document signed by a secure electronic signature that is sent electronically to the email address of the Applicant, which has been specified to the Bank – on the next Bank business day after sending;

13.1.4. it is sent to the Applicant through Citadele online banking service – on the next Bank business day after sending.

14. Confidentiality

14.1. Conditions of the Agreement and information obtained by the Parties in implementing the Agreement shall be confidential and not subject to disclosure to third parties without the other Party's consent, excluding the cases provided for in the Agreement and / or laws of the Republic of Lithuania. Information disclosure shall not be considered as a violation of this Clause when the information is supplied (i) to the audit firm which performs the audit of activities or financial statements of the Bank or the Applicant, (ii) to the persons securing the fulfilment of the Applicant's obligations under the Agreement, (iii) to the lawyers providing legal services to any Party, (iv) to the other persons, provided for by the General Terms of Business of the Bank.

14.2. If the Bank has established any Event of Default, the Bank shall have the right without a separate consent of the Applicant, to publicly announce or provide to third parties the information about conditions of the Agreement, the Applicant and default on obligations to the Bank.

15. Interpretation and validity of the Agreement

15.1. The Agreement comes into force:

15.1.1. when the Application is submitted to the Bank, if the Agreement consists of the Application and the General Terms and Conditions;

15.1.2. when the Special Terms come into force, if the Agreement consists of the General Terms and Conditions

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and Special Terms.

15.2. The Agreement shall remain valid until complete fulfilment of all obligations under the Agreement by the Parties.

15.3. If the Bank has not issued the Guarantee within 30 (thirty) business days of the Bank from the effective date of the Agreement in the case referred to in Clause 15.1.1 of the General Terms and Conditions, the Agreement shall be deemed terminated with effect from the next calendar day without additional arrangement. In such case, the fees and commissions paid shall not be refunded and the Bank shall release the Financial Collateral (the Term Deposit, funds in the Financial Collateral Account) if any, within 5 (five) business days of the Bank.

15.4. Termination of the Agreement in the case referred to in Clause 15.1.2 of the General Terms and Conditions is stipulated in the Special Terms.

15.5. Independent contractual relations between the Bank and Applicant are established under the Agreement, and the validity of the obligations of the Applicant under the Agreement does not depend on the validity of the Guarantee or the Underlying Transaction.

15.6. If the Guarantee is issued under this Agreement to secure the Applicant's customs debt, value added tax debt and/or excise duty debt, or to ensure other obligations of the Applicant and the issuance of such a Guarantee is determined by the laws and regulations of the Republic of Lithuania. The Expiry Date of the Guarantee ends when the term set out in the laws and regulations of the Republic of Lithuania ends, within which the Beneficiary is entitled to demand payment of under the Guarantee irrespective of the fact whether such term is or is not specified in the issued Guarantee in accordance with laws and regulations

of the Republic of Lithuania. The Collateral may be cancelled or released only after the end of the term specified in this clause and if no Demand is received under the Guarantee without regard that the Expiry Date of the Guarantee has happened.

15.7. Headings of parts, clauses and sub-clauses of the General Terms and Conditions are used for better readability of the General Terms and Conditions and not for the interpretation of the content.

15.8. If one or several provisions of the Agreement become invalid, unlawful or unfeasible in any way, it shall be without prejudice to and shall not limit validity, lawfulness or feasibility of the other provisions of the Agreement.

15.9. The Bank is entitled to amend the General Terms and Conditions, GTB and the Pricelist unilaterally. The Applicant's obligation is to introduce himself with the GTB, the General Terms and Conditions and the Pricelist and to follow any changes thereto. Information on any amendments of the GTB, the General Terms and Conditions and the Pricelist is available in the Bank prior to their coming into force, and it is also available on the Bank's website www.citadele.lt.

15.10. The Agreement shall be governed by and construed in accordance with the applicable legislation of the Republic of Lithuania.

15.11. If the Agreement is written in the Lithuanian and foreign languages and there are discrepancies between texts of the Agreement written in different languages or any contradictions arise with regard to understanding the texts of the Agreement written in different languages, the text of the Agreement in the Lithuanian language shall prevail.