

## General Terms and Conditions (valid from 2018)

### General Provisions

#### I. Basic rules for business relationships between customer and bank

##### A. Scope of application of and modifications of or amendments to these General Terms and Conditions

###### 1. Scope of application

**Section 1** (1) These General Terms and Conditions shall apply to the overall business relationship between the customer and all branch offices of Schoellerbank AG (hereinafter referred to as "the bank") in Austria and abroad. Provisions contained in agreements concluded with the customer or in special terms and conditions shall prevail.

(2) The terms "consumer" and "entrepreneur" shall hereinafter have the same meaning as in the Austrian Consumer Protection Act.

###### 2. Modifications

**Section 2** (1) Amendments to these General Terms and Conditions agreed between the customer and the bank shall be proposed to the customer by the bank, with reference to the affected provisions, at least two months before the proposed date of the entry into force of such amendments. If the bank has received no objections from the customer by the proposed date of the entry into force, this shall represent tacit acceptance on the part of the customer. The bank shall inform customers of this fact in the amendment proposal. The customer shall be informed of the amendment proposal. The bank shall also publish a comparative overview of the provisions of the General Terms and Conditions that are to be amended as well as the complete version of the new General Terms and Conditions on its web site, and shall provide this information to the customer in printed form at its offices or by mail upon request. The bank shall inform the customer of these options in the notice regarding the proposed amendments.

(1a) The notice defined in paragraph 1 shall generally be sent by mail to the address most recently advised to the bank by the customer (see also section 11 [2]). The bank shall deviate from this general procedure and submit this notice in electronic form via the safe deposit box (electronic safe deposit box, Online Banking safe deposit box, mailbox, etc.) in the Internet banking platform (e.g. Online Banking) if the customer has concluded an agreement for the use of at least one Internet banking product with the bank. This electronic notice shall be made in such a way that the bank can no longer make unilateral changes to the amendment proposal and the customer can save and print out the notice. If such electronic notice is submitted via Internet banking, the bank shall simultaneously inform the customer that the amendment proposal is available and can be accessed in the safe deposit box (electronic safe deposit box, Online Banking safe deposit box, mailbox, etc.) in the Internet banking platform. This shall be communicated by sending a separate e-mail to the e-mail address most recently advised to the bank by the customer.

(1b) If the customer is an entrepreneur, it shall be sufficient to make the amendment proposal available for access by the customer via the safe deposit box (electronic safe deposit box, Online Banking safe deposit box, mailbox, etc.) in the Internet banking platform or in another form agreed with the customer at least two months before the proposed date of the entry into force of the amendments.

(2) In the event that such amendments to the General Terms and Conditions are planned, customers who are consumers shall be entitled to terminate their framework agreements for payment transaction services, particularly the current account agreement, with no period of notice and at no cost before the amendments take effect. The bank shall state this in the amendment proposal.

(3) Paragraphs (1) through (2) shall also apply to amendments to framework agreements for payment transaction services in which the application of these Terms and Conditions has been agreed between the customer and the bank.

(4) Paragraphs (1) through (2) above shall not apply to changes to payments by the bank (including credit interest) or fees payable by the customer (including debit interest). Items 43 to 45 shall apply to changes to fees and payments, provided that such changes are not individually agreed with the customer.

## **B. Statements**

### **1. Customer orders**

**Section 3** (1) Orders must be placed in writing.

(2) However, the bank shall also be entitled to execute orders submitted to it by means of telecommunication (in particular by telephone, telegraph, telex, fax, or remote data transmission). Subject to the fulfilment of the other applicable requirements, the bank shall only be obligated to execute such orders if the customer has agreed this with the bank.

The customer consents to having all telephone calls and electronic communication between him/her and the bank recorded. This also includes the recording of telephone calls and electronic communication via devices that have been provided to an employee or freelancer by the bank or that the bank has authorised or approved for use by such persons. Therefore, the customer shall not engage in communications pertaining to the activities of the bank by telephone or e-mail via devices of the bank's employees or freelancers when he/she is aware that the employee or freelancer is using a device that does not allow the bank to record or copy telephone calls or e-mails.

The customer acknowledges that not only the immediate party to a telephone conversation is privy to any business declarations and agreements made by telephone, but that knowledge of such declarations and agreements may be gained by all persons who are responsible within the bank or otherwise for observing the legal requirements, assessing the factual and legal situation, exercising any claims, and making decisions about such claims. He/she also acknowledges that the bank shall be unable to provide him/her with financial services if this consent is revoked.

(3) The bank shall be entitled not to accept customer orders at meetings that are not held at its normal business premises. Orders that were the subject of such meetings and were not accepted by the bank may be submitted to the bank by the customer at the earliest on the business day following the meeting.

### **2. Obtaining confirmations**

**Section 4** Particularly in the case of orders placed by means of telecommunication, the bank shall be entitled to require an order confirmation prior to the execution of such orders for security reasons, either via the same communication method or via a different one depending on the circumstances of the given case.

#### **Statements of the bank**

**Section 5** (1) Notices and declarations made by the bank by means of telecommunication shall be subject to written confirmation, unless otherwise agreed in writing or unless other banking practices exist in this respect. This does not apply to consumers.

(2) Declarations and information that the bank must provide or make available to the customer shall generally be delivered to the customer on paper (in particular, by means of an account statement), unless electronic access or delivery has been agreed with the customer.

(3) The bank shall make the fee schedule that must be prepared pursuant to Section 8 Austrian Consumer Payment Account Act (Verbraucherzahlungskontogesetz; VZKG) available to customers who are consumers on an annual basis and upon termination of the framework agreement at every branch in printed form and – if the customer has concluded an agreement for the use of Internet banking – in electronic form in the Internet banking platform. (Section 5 [3] shall apply from 31 October 2018.)

## C. Right of disposal upon the death of a customer

**Section 6** (1) As soon as it receives notice of the death of a customer the bank shall permit dispositions on the basis of a specific decision rendered by the probate court or a court order specifying the heirs' entitlement to the inheritance. In case of joint accounts/joint securities accounts dispositions made by an account holder holding individual authority to dispose of the account shall not be affected by this provision.

(2) No authority to sign on an account granted by an entrepreneur for a business account shall terminate upon the death of a customer. In case of any doubt the accounts of an entrepreneur shall be considered business accounts.

## D. Obligations and liability of the bank

### 1. Information duties

**Section 7** (1) Apart from the statutory duties to provide information, the bank shall have no other duties to provide information in addition to those stated in its terms and conditions unless separately agreed. For this reason the bank shall not be obliged – unless there is a legal or contractual obligation – to inform the customer of imminent price or exchange losses, of the value or worthlessness of objects entrusted to the bank, or of any facts or circumstances likely to affect or jeopardise the value of such objects. Nor shall the bank be obliged to provide other advice or information to the customer.

(2) The provisions of Section 3 of the 2018 Payment Services Act (Zahlungsdienstegesetz 2018; ZaDiG) covering the transparency of contract terms and conditions and the information obligations for payment transaction services shall not apply to entrepreneurs or legal entities.

### 2. Executing orders

**Section 8** (1) The bank shall execute an order which, due to its nature, requires the assistance of a third party, by calling in a third party in its own name. If the bank selects the third party it shall be liable for diligent selection.

(2) The bank shall be obliged to assign claims vis-à-vis the third party, if any, to the customer upon his/her request.

**Section 9** (1) Beyond the provisions defined in Section 8, the bank shall be liable vis-à-vis natural persons (but not vis-à-vis entrepreneurs or legal entities) in respect of payment transaction services within the European Economic Area (EEA)

- if the payment transaction is initiated directly by the payer, for the proper execution of the payment transaction until receipt by the payment services provider of the payee
- if the payment transaction is initiated by or via the payee, for the proper forwarding of the payment order to the payment services provider of the payer, and in both cases for all fees and interest for which the bank is responsible that are charged to the customer in connection with the failure to execute the payment transaction or the incorrect execution of the payment transaction.

(2) In deviation from Section 80 [2] 5 ZaDiG, in cases in which a payment transaction was executed with a slight delay by the bank when acting as the payment services provider of the payee, the bank shall only book the amount to the payment account of an entrepreneur or a legal entity with the correct value date if the bank is at fault for the delayed execution of the payment transaction.

## E. Obligations to co-operate and liability of the customer

### 1. Introduction

**Section 10** In his/her dealings with the bank the customer shall, in particular, observe the obligations to co-operate stated below. Any violation thereof shall lead to an obligation to pay damages on the part of the customer or to a reduction in his/her claims for damages vis-à-vis the bank.

## 2. Notification of important changes

### a) Name or address

**Section 11** (1) The customer shall immediately notify the bank of any changes in his/her name, company name, address or the service address advised by him/her, e-mail address, and telephone and mobile phone number.

(2) If the customer fails to notify changes in the address, written communications of the bank shall be deemed received if they were sent to the address most recently advised to the bank by the customer.

(3) Electronic communications of the bank (e.g. communications by e-mail or text message) to the e-mail address or mobile phone number most recently advised to the bank by the customer shall be deemed received by the customer for whom they are intended if the customer can access them under normal circumstances (Section 12 E-Commerce Act [E-Commerce-Gesetz]).

### b) Power of representation

**Section 12** (1) The customer shall immediately notify the bank in writing of any cancellation or of changes of any power of representation advised to it, including an authority to operate and sign on an account (Sections 31 and 32), and shall provide appropriate documentary evidence in this regard.

(2) Any power of representation advised to the bank shall continue to be effective until written notification of cancellation of the same or of a change in its current scope, unless the bank had knowledge of such cancellation or change or was not aware thereof due to gross negligence. The same shall, in particular, also apply if the cancellation or change in the power of representation is registered in a public register and was duly published.

### c) Capacity to enter into legal transactions; dissolution of the company

**Section 13** The bank shall immediately be notified in writing of any loss of or reduction in the customer's capacity to enter into legal transactions. If the customer is a company or legal entity, a dissolution of the same shall be immediately notified to the bank.

### d) Business relationship for one's own account or for the account of another party.

**Section 13a** Whenever establishing a business relationship and when conducting a one-time transaction, the customer shall inform the bank whether he/she wants to carry out the business relationship and/or the transaction for his/her own account or for the account of/on behalf of another party. The customer shall inform the bank of any changes in these circumstances during the course of an existing business relationship immediately and of his/her own accord.

## 3. Clarity of orders

**Section 14** (1) The customer shall ensure that his/her orders/instructions to the bank are clear and unambiguous. Modifications, confirmations or reminders shall expressly be marked as such.

(2) If the customer wishes to give special instructions to the bank regarding the carrying out of orders s/he shall inform the bank thereof separately and explicitly, and in case of orders given by means of forms, the instructions shall be given separately, i.e. not on the form. This shall, above all, apply if the carrying out of the order is extremely urgent or subject to certain periods and deadlines.

## 4. Due care and diligence in using and blocking payment instruments; blocking account access

**Section 15** (1) When using a payment instrument that may be used to place an order with the bank in accordance with the applicable agreement, the customer shall take all reasonable precautions to protect the personalised security features against unauthorised access. Payment initiation service providers and account information service providers shall not be considered "unauthorised parties" for the purposes of this provision.

(1a) The customer shall immediately notify the bank or the entity specified by the bank of the loss, theft, misuse, or other unauthorised use of the payment instrument as soon as he/she becomes aware of it.

(1b) Entrepreneurs and legal entities shall be liable without limitation for damages incurred by the bank as a result of violations of these due diligence obligations pursuant to paragraph (1) and (1a), regardless of the kind of infraction.

- (2) The bank shall be entitled to block payment instruments issued to the customer if
- (i) there are objective grounds to do so with regard to the security of the payment instrument, or
  - (ii) there is reason to believe that the payment instrument has been used without authorisation or fraudulently, or
  - (iii) there is reason to believe that the payment instrument has been used without authorisation or fraudulently, or the customer has not met his/her payment obligations in connection with a credit line (overrun or overdraft) associated with the payment instrument and
    - either there is a risk that the customer may fail to meet these payment obligations because the financial position of the customer or a guarantor deteriorates or is at risk
    - or the customer has become insolvent or is at imminent risk of becoming insolvent.
- (3) The bank shall inform the customer of a block of the payment instrument and also the reasons – provided that this is not in violation of a court or other legal order, Austrian or Community law, or objective security concerns – using one of the communication methods agreed with the customer before the block is enacted if possible, or at the latest immediately after the block is enacted.
- (4) The bank shall be entitled to deny access to a payment account of the customer by a payment initiation service provider or an account information service provider if this is justified by objective and duly verified reasons in connection with unauthorised or fraudulent access to the payment account on the part of the payment initiation service provider or the account information service provider, including the unauthorised or fraudulent initiation of a payment transaction.
- (5) The bank shall inform the customer if access to a payment account of the customer by a payment initiation service provider or an account information service provider is blocked and also the reasons – provided that this is not in violation of a court or other legal order, Austrian or Community law, or objective security concerns – using a communication method agreed with the customer before the block is enacted if possible, or at the latest immediately after the block is enacted.

## 5. Raising of objections

**Section 16** (1) The customer shall review declarations made by the bank that do not pertain to payment transaction services (e.g. confirmations of orders placed for financial instruments, notifications regarding their execution, and confirmations of completion; account statements, closing statements, and other accounting documents for lending and foreign currency transactions; securities account statements and lists of securities holdings) for completeness and correctness and shall raise any objections immediately, but within two months at the most. If the bank receives no written objections to an account statement that does not pertain to a payment account within two months, this shall be considered tacit acceptance of the statement. The customer may also request a correction of the account statement after the expiration of the deadline, but in this case must prove that his/her account was incorrectly debited or a credit to which he/she is entitled was not entered. The bank shall inform the customer of the consequences of failing to raise objections in due time at the beginning of each such period.

(2) In the event that an unauthorised or incorrect payment is debited from the customer's current account, the customer can initiate a correction by the bank in any case if the bank is informed of the unauthorised or incorrect payment as soon as the customer gains knowledge of the fact, in any case by no later than 13 months after the date of the debit entry. If the customer is an entrepreneur, this period shall end three months after the date of the debit. The time limits shall not apply if the bank failed to provide the information on the relevant payment stipulated in item 39 (9) of these Terms and Conditions. This provision shall not preclude other rights of the customer for correction.

(3) The bank shall reimburse the customer for the amount of an unauthorised payment transaction immediately, but in any case at the latest by the end of the next business day after it becomes aware of or is notified of the payment transaction. The reimbursement shall be effected by restoring the debited account to the balance that would have existed without the unauthorised payment transaction. The amount shall be booked to the payer's payment account with a value date corresponding to the date of the debit at the latest.

If the bank has notified the Financial Market Authority in writing of reasonable grounds for suspicion that the customer engaged in fraudulent conduct, the bank must review and meet its reimbursement obligation immediately if the suspicion of fraud proves to be unwarranted. If the unauthorised payment transaction was initiated via a payment initiation service provider, the reimbursement obligation shall apply to the bank.

**Section 17** cancelled.



## 6. Translations

**Section 18** Any foreign-language instruments shall be presented to the bank also in a German translation of a court-appointed and certified interpreter if the bank so requires.

## F. Place of performance; choice of law; legal venue

### 1. Place of performance

**Section 19** The place of performance for both parties shall be the offices of that branch of the bank with which the transaction was concluded.

### 2. Choice of law

**Section 20** All legal relations between the customer and the bank shall be subject to Austrian law.

### 3. Legal venue

**Section 21** (1) Legal actions of an entrepreneur against the bank may only be taken in the court having subject-matter jurisdiction at the place of the bank's registered office. This shall also be the legal venue in case of legal actions of the bank against an entrepreneur, with the bank being entitled to assert its rights in every court having local jurisdiction and jurisdiction over the subject-matter.

(2) The general legal venue in Austria in case of legal actions taken by a consumer or against a consumer as provided for by law at the time of conclusion of an agreement shall remain the same even if the consumer, after conclusion of the agreement, transfers his/her domicile abroad and Austrian court decisions are enforceable in that country.

## G. Termination of the business relationship

### 1. Ordinary termination of business relationships with entrepreneurs

**Section 22** Unless an agreement has been made for a specific period, the bank and the customer may terminate the entire business relationship or individual parts thereof (including credit agreements and framework contracts for payment services, particularly current account maintenance agreements) at any time subject to a reasonable period of notice. Charges paid in advance shall not be refunded.

### 2. Ordinary termination of business relationships with consumers

**Section 23** (1) The customer may terminate a framework contract for payment services, in particular a current account maintenance agreement, free of charge at any time subject to a period of notice of one month. The right to terminate a framework contract for payment services, in particular a current account maintenance agreement, free of charge and without notice if the bank proposes a modification of or amendment to the General Terms and Conditions (Section 2 paragraph 3) shall remain unaffected by this provision.

(2) The customer may terminate credit agreements concluded for an indefinite period free of charge at any time subject to a period of notice of one month. The customer may terminate all other agreements concluded with the bank for an indefinite period at any time with a reasonable period of notice.

(3) The bank may terminate framework contracts for payment services, particularly current account maintenance agreements, and credit agreements concluded for an indefinite period, subject to a period of notice of two months. Such termination shall be communicated on paper or on another durable medium as agreed. The bank may terminate all other agreements concluded for an indefinite period at any time, subject to a period of notice of two months.

### 3. Termination for important reason

**Section 24** (1) The bank and the customer shall be entitled to terminate the entire business relationship or individual parts thereof with immediate effect at any time for important reasons, even if an agreement has been concluded for a definite period of time.

(2) In particular, important reasons entitling the bank to terminate the relationship shall apply if

- the financial position of the customer or a guarantor deteriorates or is at risk and this poses a danger that obligations to the bank will not be met,
- the customer provides false information about significant aspects of his/her financial position (assets and liabilities) or other material circumstances and the bank would not have concluded the agreement if it had been aware of the customer's actual financial position or circumstances, or
- the customer does not or cannot fulfil an obligation to provide or increase collateral and this poses a risk that obligations to the bank will not be met.
- the customer refuses to provide information or documents to the bank that the bank is obligated to obtain as part of its legal auditing and monitoring duties.

#### 4. Legal consequences

**Section 25** (1) Upon termination of the entire business relationship or individual parts thereof the amounts owed thereunder will immediately become due and payable. In addition, the customer shall be obliged to release the bank from all liabilities assumed for him/her.

(2) In addition, the bank shall be entitled to terminate all liabilities assumed for the customer and to settle the same on behalf of the customer as well as to immediately redebit amounts credited subject to collection. Claims arising from securities, in particular bills of exchange or cheques, may be asserted by the bank until potential debit balances, if any, are covered.

(3) In the event of the termination of the entire business relationship or individual parts thereof, the bank shall reimburse charges for payment services paid in advance for a specific period to customers who are consumers on a pro-rated basis.

(4) These General Terms and Conditions shall continue to apply even after termination of the business relationship until complete settlement.

#### H. Right to deny payment

**Section 26** (1) The bank may deny payment of the credit amount for objectively justified reasons.

(2) Objectively justified reasons in the meaning of paragraph one shall be deemed to exist when, following the conclusion of the agreement,

- conditions arise which indicate a deterioration of the borrower's financial situation or a devaluation of the pledged collateral to an extent that would jeopardise the repayment of the loan or the payment of interest even if the collateral were to be liquidated, or
- the bank has an objectively justified reason to believe that the credit amount is being used by the borrower in a way that violates the agreement or the law.

(3) The bank shall inform consumers of such intentions immediately on paper or on another durable medium, and shall cite the reasons that led to these intentions. The reasons shall not be cited if doing so would jeopardise public safety or order.

#### II. Bank information

**Section 27** General information about the financial situation of an enterprise which is customary in banking practice will only be provided in a non-binding manner and, vis-à-vis entrepreneurs, only in writing unless an obligation to provide such information exists.

#### III. Opening and keeping of accounts and securities accounts

##### A. Scope of application

**Section 28** Unless otherwise provided the following regulations regarding accounts shall also apply to securities accounts.

##### B. Opening of accounts

**Section 29** When opening an account the future account holder shall prove his/her identity. Accounts shall be kept under the name of the account holder or the company name together with an account number.

##### C. Specimen signatures

**Section 30** Persons who are to be authorised to operate or sign on an account shall deposit their signature with the bank. Based on the signatures deposited the bank shall permit written disposition within the scope of the account relationship.

##### D. Authority to operate and sign

###### 1. Authority to operate

**Section 31** Only the account holder shall be entitled to make dispositions regarding the account. Only persons whose power of representation is provided for by law or persons who hold an express written power of attorney to operate the account shall be entitled to represent the account holder. They shall be obliged to prove their identity and power of representation. In the case of powers of attorney issued as a precaution whose effectiveness (in particular when a person becomes legally incapacitated) has been recorded in the Austrian Central Register of Powers of Representation, a general power of attorney to operate the accounts of the grantor of the power of attorney shall suffice.

## 2. Authority to sign

**Section 32** (1) The account holder may expressly and in writing grant third parties authority to sign on an account. The person who is authorised to sign shall provide the bank with proof of his/her identity. The person authorised to sign shall be entitled only to make and revoke dispositions within the drawing limit of the account.

(2) The authority to sign on a securities account also includes the power to buy and sell securities within the scope of the coverage available and in accordance with the investment objective of the securities account holder ascertained pursuant to the Austrian Securities Supervision Act.

## E. Special types of accounts

### 1. Sub-account

**Section 33** An account may also include sub-accounts. Even if they are given sub-account names the account holder shall be exclusively entitled and obligated vis-à-vis the bank in connection with the same.

### 2. Escrow account

**Section 34** In case of escrow accounts the escrow agent shall be exclusively entitled and obligated vis-à-vis the bank as account holder.

### 3. Joint account

**Section 35** (1) An account may also be opened for several account holders (joint account). Dispositions regarding the account, in particular the closing thereof and the granting of authority to sign, may only be made by all account holders jointly. Every account holder may be represented by an authorised representative in the individual case.

(2) The account holders shall be liable jointly and severally for obligations arising out of the account.

(3) Unless expressly agreed otherwise every joint account holder shall have individual power to make dispositions within the drawing limit of the account. Such authority also includes the power to buy and sell securities within the scope of the coverage available and the joint investment objective of all securities account holders ascertained in accordance with the Austrian Securities Supervision Act. The authority will, however, be terminated by the express objection of another account holder. In such case the joint account holders shall only be authorised to act jointly.

(4) Authorisations to sign may be revoked by each individual joint account holder.

**Section 36** Cancelled

### 4. Foreign currency account

**Section 37** (1) If the bank maintains a foreign currency account for the customer, transfers in the given foreign currency shall be credited to this account unless a different transfer instruction has been issued. If no foreign currency account exists, the bank shall be entitled to credit foreign currency amounts in the national currency, unless instructions to the contrary are explicitly issued by the customer. The amount shall be converted at the exchange rate prevailing on the date on which the foreign currency amount is available to and can be used by the bank.

(2) The bank's obligation to execute an instruction to the debit of a credit balance in foreign currency or to settle a liability in foreign currency shall be suspended to the extent that and for as long as the bank has no access or only limited access to the foreign currency in which the credit balance or liability is denominated due to political measures or events in the country of the relevant currency. To the extent that and for as long as these measures or events persist, the bank shall also not be obligated to execute such an instruction at a different location outside of the country of the currency, in a different currency (including in euros), or by acquiring cash. In contrast, the bank's obligation to execute an instruction to the debit of a credit balance in foreign currency shall not be suspended if the bank can execute the instruction in full internally. The above provisions shall not affect the right of the customer and the bank to offset mutual claims that are due and denominated in the same currency against one another.



## F. Balancing of accounts and statements of securities

**Section 38** (1) Unless otherwise agreed the bank shall balance the account once a year. Interest accrued in and charges due for the respective quarter shall be included in the closing balance, which shall subsequently continue to carry interest ("compound interest"). Statements of securities shall be prepared once a year.

(2) The bank shall make the account statement including the closing statement/statement of securities available in printed form for collection by the customer at the branch office managing the account/securities account or, if the customer has concluded an agreement for the use of Internet banking, the bank shall make these documents available via the Internet banking platform, in which case the customer shall be able to store and reproduce the account statement provided in the Internet banking platform in an unmodified form.

## IV. Giro transactions

### A. Transfer orders

**Section 39** (1) For transfer orders to a payee whose account is maintained at a payment services provider within Austria or another member state of the European Economic Area (EEA), the customer shall specify the payee by indicating his/her International Bank Account Number (IBAN). For transfer orders in a currency other than the euro to a payee whose account is maintained at a payment services provider within Austria or another member state of the EEA, the customer shall specify the payee by indicating his/her IBAN (or account number) and the Bank Identifier Code (BIC) of the payee's payment services provider.

(2) For transfer orders to a payee whose account is maintained at a payment services provider outside of the EEA, the customer shall specify the payee's name and shall indicate

- the payee's IBAN and the Bank Identifier Code (BIC) of the payee's payment services provider, or
- the payee's account number and either the name, bank sort code, or BIC of the payee's payment services provider.

(3) The IBAN and BIC or account number and name/bank sort code/BIC of the payee's payment service provider, which must be specified by the customer pursuant to paragraphs (1) and (2), represent the customer identifier of the payee, on the basis of which the transfer order shall be executed. If the customer provides information about the payee beyond the IBAN and BIC, such as the payee's name, such information is not part of the customer identifier and therefore shall only serve for documentation purposes and shall be disregarded by the bank in the execution of the transfer.

(4) The reason for payment stated in the transfer order shall be disregarded by the bank in any case.

(5) The acceptance of a transfer order by the bank shall not give rise to any rights of a third party vis-à-vis the bank in and of itself.

(6) The bank shall only be obligated to execute a transfer order if sufficient cover for the full amount is available in the account specified by the customer (credit balance, available credit facility).

(7) Transfer orders received by the bank or a payment initiation service provider commissioned by the customer (section 39a) cannot be unilaterally cancelled by the customer. If a later execution date is agreed for a transfer order, the transfer order can be cancelled up until the end of the business day preceding the execution date.

(8) If the bank refuses to execute a transfer order, it shall inform the customer of such refusal as soon as possible, in any case within the time periods specified in item 39a (3), and also provide information about how the transfer order can be corrected so that it can be executed in the future. A reason for such refusal shall only be provided when this is not in violation of Austrian or Community law or a court or other legal order. Transfer orders that are refused by the bank for justified reasons shall not trigger the execution periods defined in item 39a of these Terms and Conditions.

(9) Information about executed transfer orders (reference, amount, currency, fees, interest, exchange rate, value date of the debit entry) and other payments debited from an account, especially under the SEPA Direct Debit Scheme, shall be reported to customers who are consumers in the account statement. Customers who are consumers can request that the account statement be provided to them by the bank free of charge once a month in the manner for the provision of information agreed with them in a framework agreement regarding payment transaction services (e.g. via Internet banking) in such a way that it can be stored and reproduced in an unmodified form. In addition, customers who are consumers can request that the account statement be sent to them by regular mail once a month for an appropriate fee.

## Execution time

**Section 39a** (1) Payment instructions received by the bank after the time near the end of the business day specified by the bank and to be notified to the customer for the respective type of payment or on a day which is not a business day shall be deemed to have been received on the subsequent business day. In addition, the bank shall publish these times in the "Information about Payment Transaction Services for Consumers at Schoellerbank AG", which shall be provided in electronic form on its web site. A business day is every day on which the bank conducts the activities required for the execution of payment transactions with a specific payment instrument.

(2) If the customer who gives a payment instruction and the bank agree that the execution of a payment instruction should start on a specified date or at the end of a specified period or on the day on which the customer makes the funds available to the bank, the agreed date shall be deemed to be the time of receipt. If the agreed date is not a business day of the bank, the payment instruction shall be deemed to have been received on the subsequent business day.

(3) The bank shall ensure that after the time of receipt, the payment service provider of the payee receives the amount of the payment transaction not later than at the end of the subsequent business day (in the case of payment transactions submitted in paper form, at the end of the second subsequent business day). This paragraph shall only apply to payment transactions in euros as well as payment transactions in which amounts are transferred in euros to an account in an EEA member state that is not part of the euro area and the currency conversion takes place in this country.

(4) For payment transactions within the European Economic Area (EEA) that are not listed in paragraph 3, the execution time specified in paragraph 3 shall be a maximum of four business days.

## B. Credit entries and right to cancel

**Section 40** (1) In case of a valid existing account maintenance agreement, the bank shall be obliged and irrevocably entitled to accept amounts of money on behalf of the customer and credit the same to his/her account. If the bank has outstanding claims against the customer in connection with the account, the bank shall be entitled even after termination of the current account agreement to accept amounts of money on behalf of the customer and to offset its claims against the customer's claim for the payout of the accepted amount. In such a case, the bank shall explain the offsetting to the customer and shall inform the customer about the remaining balance following offsetting and that he/she can access this money. As soon as the bank no longer has any outstanding claims against the customer in connection with the account and the account balance is EUR 0.00, the bank shall close the account and inform the customer that the account has been closed.

The instruction to provide a customer with an amount of money shall be carried out by the bank by crediting the amount to the account of the payee unless otherwise indicated in the instruction. If the account specified in the order is not denominated in the same currency as the order, the amount shall be credited after being converted to the currency of the account at the exchange rate prevailing on the date on which the amount specified in the order is available to and can be used by the bank.

(2) Information on credit transfers to the customer's account (reference, amount, currency, charges, interest rate, exchange rate, value date of the credit entry) shall be provided to the customer who is a consumer in the statement of account when the transaction takes place. Customers who are consumers can request that the account statement be provided to them by the bank free of charge once a month in the manner for the provision of information agreed with them in a framework agreement regarding payment transaction services (e.g. for collection at the bank's self-service machines or via Internet banking) in such a way that it can be stored and reproduced in an unmodified form. In addition, customers who are consumers can request that the account statement be sent to them by regular mail once a month for an appropriate fee.

(3) The bank shall be entitled to deduct its charges for the credit transfer from the amount to be credited. The bank shall state the amounts of the credit transfer and of deducted charges separately. If a payment transaction to be credited to the customer is initiated by or via the customer as the payee, the bank shall credit the full amount to the customer's account.

(4) The bank shall be entitled to cancel any credit entries made due to an error on its part at any time. In other cases the bank will only cancel the credit entry if the ineffectiveness of the transfer instruction is clearly proven to it. The right to cancel shall not be eliminated by a balancing of the account which took place in the meantime. If the right to cancel exists the bank may deny disposal of the amounts credited.

### C. Credit entry subject to collection

**Section 41** (1) If the bank credits amounts which it has to collect on behalf of the customer (in particular, within the scope of collecting cheques, bills of exchange and other securities, direct debits, etc.), or which are to be transferred to the customer's account, to the customer's account before the amount to be collected or the amount transferred is received by the bank, the credit entry is only made subject to actual receipt of the credited amount by the bank. This shall also apply if the amount to be collected should be payable at the bank.

(2) Due to this reservation the bank shall be entitled to reverse the credit entry by means of a simple entry if the collection or the credit transfer has failed or if due to the economic situation of a debtor, intervention by a public authority or for other reasons it is to be expected that the bank will not obtain the unrestricted right of disposition of the amount to be collected or the amount transferred.

(3) The reservation may also be exercised if the amount credited was collected abroad or transferred from abroad and the bank is debited the amount by a third party pursuant to foreign law or on the basis of an agreement entered into with foreign banks.

(4) If the reservation is in force the bank shall also be entitled to deny the customer the right to dispose of the credited amounts. The reservation will not be eliminated by the balancing of accounts.

### D. Debit entries

**Section 42** (1) In the case of transfer orders, debit entries are only to be construed as a notice of execution if the debit entry is not reversed within two business days (see item 39a [1] of these Terms and Conditions).

(2) Cheques and other payment orders as well as SEPA Business to Business Direct Debits (section 42a [1]) shall be deemed collected if the debit entry in the customer's debited account is not reversed within three business days, unless the bank has already notified the presenter of the collection or paid him/her in cash prior to that. SEPA Direct Debits (section 42a [3]) shall be deemed collected after five business days.

### E. Direct debit and business to business direct debit

**Section 42a** (1) A direct debit is an arrangement in which the payer authorises the payee by way of a direct debit mandate to directly debit amounts in euros from the payer's account without any intervention on the part of the payer's bank. A business to business direct debit is an arrangement in which the payer authorises the payee by way of a business to business direct debit to debit amounts in euros from the payer's account. Both the payer and the payee must be entrepreneurs and the business to business direct debit mandate must be submitted to the payer's bank before the account is debited. The customer (payer) grants consent for payments submitted to the bank by authorised third parties (payees) for collection from his/her account by way of a direct debit or business to business direct debit to be debited from his/her account. This consent can be revoked by the customer in writing at any time. Such a notice of revocation shall take effect on the business day after it is received by the bank. Similarly, the consent to direct debits by an authorised third party may be restricted to a specified amount or a specified interval, or both.

(2) The bank shall execute direct debits and business to business direct debits that are to be debited from the customer's account on the basis of the International Bank Account Number (IBAN) submitted by the collecting bank. The IBAN information represents the customer identifier, on the basis of which the direct debit or business to business direct debit is executed. If the collecting bank provides additional information about the customer, such as the name of the holder of the account from which the payment is to be collected, this shall only serve for documentation purposes and shall be disregarded in the execution of the direct debit or business to business direct debit.

(3) The customer (payer) can request that the bank reimburse an amount debited from his/her account based on a direct debit mandate issued by him/her within eight weeks of the date on which his/her account is debited. The bank shall honour such a request by the customer within 10 business days and reverse the debit entry with a value date as of the date on which the account was debited.

(4) In deviation from paragraph 3, in the case of business to business direct debits the customer does not have the right to request the reimbursement of an amount debited from his/her account based on a business to business direct debit mandate issued by him/her.

(5) If the customer did not authorise a direct debit or business to business direct debit that was debited from his/her account, the customer can request the reimbursement of the debited amount according to section 16 (2). The relevant time period shall be initiated when the bank provides the customer with the information defined in section 39 (9).

## V. Charges and reimbursement of expenses

### A. Charges in charges and charges in services

#### 1. Changes in charges and changes in services for entrepreneurs

**Section 43** (1) The bank shall be entitled in business with entrepreneurs to change, at its reasonable discretion, the charges for permanent services which are payable by the bank or the customer (including debit interest and credit interest on current accounts and other accounts, account maintenance fees, etc.) by taking into account all relevant circumstances (in particular, changes in the legal framework, changes in money markets or capital markets, changes in funding costs, changes in staff expenses and non-staff expenses, changes in the Consumer Price Index, etc.).

(2) Changes in services provided by the bank and any changes in charges going beyond paragraph 1 and the introduction of new charges for previously agreed services shall require the consent of the customer. Unless the customer previously gave his/her express consent, such changes shall become effective two months after the bank has notified the customer of the change requested by the bank unless the bank receives a written objection from the customer by then. In the notification the bank shall draw the customer's attention to the requested change and to the fact that in the absence of any response from the customer, s/he will be deemed to have consented to the change upon expiry of the specified period. The bank shall deliver the notice regarding the proposed amendments to the customer via the safe deposit box (electronic safe deposit box, Online Banking safe deposit box, mailbox, etc.) in the Internet banking platform if the customer has concluded an agreement for the use of Internet banking with the bank. Otherwise, the bank shall make the notice accessible in another manner agreed with the entrepreneur.

#### 2. Changes to fees for consumers outside the scope of payment transaction services

**Section 44** (1) The fees agreed with consumers (excluding debit and credit interest) for the continuous services performed by the bank outside the scope of payment transaction services (fees for continuous services are marked as such in the information posted at the counter and include account maintenance fees for accounts that are not used for the settlement of payment services; securities account fees) shall be adjusted (raised or lowered) on 1 April of every year based on the development of the national Consumer Price Index 2000 published by Statistics Austria (the index value for the December preceding the adjustment of fees shall be compared with the index value used for the previous adjustment), with the amounts being rounded to the nearest whole cent. If, for whatever reason, the fees are not raised in the event of an increase in the Consumer Price Index, this shall not forfeit the right to increase fees with effect for the future in subsequent years. Fee adjustments shall be made at the earliest after two months from the time of the conclusion of the agreement.

(2) The provisions defined in this item 44 shall not apply to the changes to fees and payments stipulated in agreements on payment transaction services that are defined separately in item 45.

#### 3. Changes to fees stipulated in framework agreements for payment transaction services with consumers

**Section 45** (1) Changes to the fees for continuous services (excluding debit and credit interest) stipulated in a framework agreement for payment transaction services (especially the current account agreement) with consumers shall be proposed to the customer by the bank in due time, such that the customer shall receive notice of the changes at the latest two months before the proposed date of the entry into force. If the bank has received no objections from the customer by the proposed date of the entry into force, this shall represent tacit acceptance of these changes on the part of the customer. The customer shall be informed of the amendment proposal. The continuous services are explicitly marked as such in the information posted at the counter.

In the event of tacit acceptance on the part of the customer, such a proposed change to the fees by the bank may not exceed the amount of the change in the Consumer Price Index 2000 published by Statistics Austria. Along with the amount and effective date of the proposed change to the fee, the bank shall also inform customers of the effective date of the last change made to the fee and the change in the Consumer Price Index since the last change to the fee in the notice regarding the change. The customer shall be entitled to terminate the framework agreement immediately at no charge before the change goes into effect. The bank shall also state this in the notice regarding the change.



(2) The notice defined in paragraph 1 shall generally be sent by mail to the address most recently advised to the bank by the customer (see also section 11 [2]). The bank shall deviate from this general procedure and submit this notice in electronic form via the safe deposit box (electronic safe deposit box, Online Banking safe deposit box, mailbox, etc.) in the Internet banking platform if the customer has concluded an agreement for the use of Internet banking with the bank. Such electronic notice shall be made in such a way that the bank can no longer make unilateral changes to the amendment proposal and the customer can save and print out the notice. If such electronic notice is submitted via the safe deposit box (electronic safe deposit box, Online Banking safe deposit box, mailbox, etc.) in the Internet banking platform, the bank shall inform the customer that the amendment proposal is available and can be accessed in the safe deposit box (electronic safe deposit box, Online Banking safe deposit box, mailbox, etc.) in the Internet banking platform. This shall be communicated by sending a separate e-mail to the e-mail address most recently advised to the bank by the customer.

## **B. Reimbursement of expenses by entrepreneurs**

**Section 46** The customer who is an entrepreneur shall bear all necessary and useful expenses, disbursements and costs, in particular stamp duties and legal transaction charges, taxes, postage, cost of insurance, legal counsel, collection, consultancy services in business administration matters, telecommunications as well as provision, administration and utilisation or release of collateral incurred in connection with the business relationship between him/her and the bank. The bank shall be entitled to charge such expenses as a lump-sum amount without specifying the individual amounts unless the customer expressly demands itemisation of the individual amounts.

## **C. Trailer fees in connection with securities and other assets**

**Section 46a** Trailer fees are payments in connection with securities and other assets as defined in item 62 that are made to the bank in return for taking products or services of the issuer into consideration when providing services to the customer.

These payments shall be retained by the bank and invested in quality improvement measures. If a surplus develops between the payments and the investments in quality improvement measures, the difference shall be paid out to the customers on a pro-rated basis. However, there is no obligation related to follow-up consulting on the part of the bank associated with this. The bank receives trailer fees from the issuer in the amount of 0.00% to 1.3% p.a. of the nominal value of the relevant holdings. The customer agrees that such trailer fees shall be retained by the bank instead of being passed on to him/her. More detailed provisions are defined in the Guidelines for the Handling of Conflicts of Interest and Benefits.

## **VI. Collateral**

### **A. Provision and increase of collateral**

**Section 47** cancelled.

#### **1. Change in the risk**

**Section 48** (1) If circumstances in business relationships with entrepreneurs occur or become known subsequently which justify an increased risk assessment of the claims vis-à-vis the customer, the bank shall be entitled to demand the provision or increase of collateral within a reasonable period of time. This shall, in particular, be the case if the economic situation of the customer has deteriorated or threatens to deteriorate or if the collateral available has deteriorated in value or threatens to deteriorate.

(2) This shall also apply if no collateral was demanded at the time the claims came into existence.

### **B. Bank's lien**

#### **1. Scope and coming into existence**

**Section 49** (1) The customer shall grant the bank a lien on any property and rights that come into the possession of the bank with the customer's will in connection with any banking transaction conducted with the bank.

(2) Unless otherwise agreed in section 51, the lien shall also apply in particular to all attachable claims of the customer against the bank, e.g. from credit balances. If securities are subject to the lien of the bank, the lien shall also extend to the interest and dividend coupons associated with these securities.



**Section 50** (1) The lien shall secure the bank's claims vis-à-vis the customer under the business relationship even if the claims are conditional or limited as to time or not yet due. If the customer is an entrepreneur, the lien shall also secure legal claims against third parties for which the customer is personally liable.

(2) The lien shall come into existence upon the bank's taking possession of the item to the extent claims pursuant to paragraph (1) exist; otherwise at any future point in time when such claims arise.

## 2. Exemptions from the lien

**Section 51** (1) The lien shall not include items and rights which have been assigned by the customer to the execution of a certain instruction prior to coming into existence of the lien, such as amounts designated for the cashing of a certain cheque or honouring of a certain bill of exchange as well as for the carrying out of a certain transfer. This shall, however, apply only as long as the assignment is effective.

(2) Notwithstanding the existing lien, the bank shall carry out dispositions of the customer regarding credit balances on current accounts in favour of third parties as long as the customer has not received notification from the bank of the assertion of the lien. In such cases, distraint of the credit balance shall not be considered a disposition by the customer. If payments towards non-attachable or only partially attachable monetary claims of the customer are deposited in the current account, the bank's lien on the credit balance in this current account shall only apply to the attachable portion of these deposits.

(3) The lien shall not include assets which the customer has disclosed in writing to the bank as escrow assets prior to the coming into existence of the lien or which have come into the possession of the bank without the customer's will.

## C. Release of collateral

**Section 52** Upon the customer's request the bank will release collateral to the extent it has no justified interest in keeping it as security.

## D. Realisation of collateral:

### 1. General

**Section 52a** Items 53 to 56 below define the procedure followed by the bank in the realisation of collateral. As a basic requirement in each case (with the exception of cases covered by item 56 in which a claim provided as collateral comes due before the secured claim comes due), the secured claim must be due and the right of realisation must have come into existence in accordance with the applicable contractual and legal provisions. This requires a prior notice to the customer specifying the amount of the claim and containing a warning that the collateral will be realised.

At least one month shall have passed since this warning notice was sent to the customer. If the customer is an entrepreneur, this period shall amount to one week. Such a warning notice shall not be required if it is unfeasible, for instance if the whereabouts of the customer are unknown. In this case, the relevant period shall start when the secured claim comes due. Collateral may be realised before the relevant period has expired if waiting would pose an imminent risk of a significant and permanent loss in value.

### 2. Sale

**Section 53** Collateral for which there is a market or exchange price shall be realised by the bank in compliance with the applicable legal regulations by selling it at this price on the open market.

**Section 54** (1) The bank shall have movable physical assets provided to it as collateral and for which there is no market or exchange price appraised by an authorised independent expert. The bank shall notify the customer of the result of the appraisal and at the same time request that the customer name a prospective buyer within a period of one month who will pay no less than the appraised value to the bank as the purchase price within this time period. If the customer fails to name a prospective buyer within the specified time period or the purchase price is not paid by the prospective buyer who is named, the bank shall have the irrevocable right to sell the collateral in the customer's name for no less than the appraised value. The sales proceeds shall be used to repay the secured claims, with the customer being entitled to any excess amount. Execution and out-of-court auction

### 3. Enforcement and out-of-court auction

**Section 55** The bank shall also be entitled to realise the collateral by way of execution or – to the extent that there is no market or exchange price for it – to sell it at an out-of-court public auction conducted by an authorised contractor. The time and place of such auction and a general description of the collateral must be published. The collateral provider and any third parties who have rights to the collateral shall be informed.

### 4. Collection

**Section 56** (1) The bank shall be entitled to terminate and collect claims of any kind provided to it as collateral (including those collateralised in the form of securities) if the secured claim is not paid when it comes due. Prior to that, it shall be entitled to collect the claim provided as collateral when it comes due. If there is an imminent risk of a significant and permanent loss in the value of the claim provided as collateral, the bank shall be entitled to terminate the claim before it comes due. If possible, the customer shall be informed thereof in advance. Amounts collected before the secured claim comes due shall serve as pledge in place of the collected claim.

(2) The provisions defined in paragraph (1) shall not apply to wage and salary claims of consumers that have been provided as collateral for claims that are not yet due.

### 5. Admissibility of realisation

**Section 57** Removed

### E. Right of retention

**Section 58** The bank shall be entitled to retain services to be rendered by it to the customer due to claims arising out of the business relationship even if they are not based on the same legal relationship. Sections 50 and 51 shall apply accordingly.

## VII. Offsetting and crediting

### A. Offsetting

#### 1. By the bank

**Section 59** (1) The bank shall be entitled to offset all of the customer's claims to the extent they are distrainable against all liabilities of the customer vis-à-vis the bank.

(2) Notwithstanding the existing right to offset the bank shall carry out dispositions of the customer in favour of third parties regarding credit balances on current accounts as long as the customer has not received an offsetting statement. Distraint of the credit balance shall not be considered a disposition by the customer.

#### 2. By the customer

**Section 60** Customers who are consumers shall only be entitled to offset their liabilities if the bank is insolvent or if the customer's claim is legally related to his/her liability or if the customer's claim has been established by court decision or recognised by the bank. Customers who are entrepreneurs hereby unconditionally and irrevocably waive their right to offset their claims in these cases as well.

### B. Crediting

**Section 61** (1) In business with entrepreneurs, the bank may – in deviation from the provisions of Section 1416 Austrian Civil Code (Allgemeines Bürgerliches Gesetzbuch; ABGB) – first credit payments to claims due to the bank to the extent that no collateral has been provided for such claims or the value of the collateral provided does not cover the claims. In this context, it is irrelevant when the individual claims came due. This shall also apply to current account relationships.

(2) In business with consumers, the bank may first credit payments made with the intention to settle a specific claim to unsecured portions of that claim, even if this deviates from the customer's intention.

(3) The bank may only assert the rights defined in this section if the recoverability of its claims would otherwise be put at risk.

## Special types of business transactions

### I. Trade in securities and other assets

#### A. Scope of application

**Section 62** The terms and conditions under Sections 63 to 68a shall apply to securities and other assets even if they are not certificated.

#### B. Carrying out of instructions

**Section 63** (1) In principle, the bank carries out customer instructions for the purchase and sale of securities as commission agent.

(2) However, if the bank agrees on a fixed price with the customer, it concludes a purchase agreement.

(3) The customer hereby gives his/her consent to the bank's execution policy, on the basis of which the bank – in the absence of other instructions – will execute the customer's orders. The bank shall inform the customer of any material changes in the execution policy.

(4) The bank may also carry out orders for the purchase and sale of securities in part if the market situation does not allow that the same be carried out in full.

#### C. Market practice at the place of execution of an order

**Section 64** The statutory provisions and market practice applicable at the place of execution shall apply to the execution of an order.

#### D. Date of carrying out instructions

**Section 65** If an instruction which is to be carried out on the same day has not been received early enough to be carried out that day within the scope of ordinary workflow, it shall be scheduled to be carried out on the next trading day.

#### E. Non-execution of orders due to insufficient cover and other reasons

**Section 66** (1) The bank may refuse to execute securities transactions in part or in full if sufficient cover is not available.

(2) However, the bank shall be entitled to execute such securities transactions if it is not evident that the customer only wants the order to be executed if sufficient cover is available.

(3) If the customer does not provide cover despite being asked to so, the bank shall be entitled to conclude a closing transaction for the account of the customer at the best possible price.

(4) The bank shall be entitled not to execute orders from the customer if

- the target market for the financial instrument does not suit the customer, or
- the investor profile (information provided by the customer regarding his/her knowledge and experience, financial position, and investment objectives) is not available or is only partially available to the bank, or
- the investor profile has not been updated in the past three years.

The bank shall notify the customer immediately if a securities order was not executed.

#### F. Transactions abroad

**Section 67** If a customer is credited for securities held abroad the customer's claim vis- à-vis the bank equals the share in the overall portfolio of securities of the same type maintained abroad which is held by the bank for account of its customers in compliance with the relevant statutory provisions and market practices.

#### G. Transactions in stocks

**Section 68** (1) In the case of transactions in stocks for which the physical securities are not yet being traded, the bank shall neither be liable for the issuance of the securities on the part of the joint stock company nor for the possibility of exercising the shareholder rights prior to the issuance of the securities.

(2) The use of the proceeds of a loan issued by the bank to purchase shares in UniCredit S.p.A. is prohibited in accordance with the capital requirements defined in Regulation (EU) No 575/2013 (Capital Requirements Regulation) and pursuant to Section 66a Stock Corporation Act (Aktiengesetz).

"Die vorliegende Übersetzung des Originaldokumentes dient dem schnelleren Verständnis. Rechtsverbindlich ist ausschließlich das deutsche Originaldokument."

"The present translation of the original document serves the quicker understanding. Exclusively the German original document is legally binding."

## H. Appropriateness and suitability of securities services

**Section 68a** The assessment of knowledge and experience shall be applied to the customer (appropriateness test). The additional assessment of the financial position and investment objectives for the provision of recommendations shall be applied to the securities account holder (suitability test). In agreement with all account holders, the assessment of the financial position for joint securities accounts shall be applied to either the assets of a single account holder or the combined assets of all account holders.

**Section 68b** No personal advice shall be provided for securities orders placed by telephone, by fax, or via Schoellerbank Electronic Banking (Schoellerbank Online Banking, Schoellerbank Business Banking, and Multi Bank Standard Service). Such orders shall not be evaluated by the bank with regard to the investment objectives and financial position of the securities account holder.

## II. Safekeeping of securities and other valuables

### A. Safekeeping of securities

**Section 69** (1) The bank shall be entitled to place securities deposited with it in the safekeeping deposit of the beneficiary.

(2) The bank shall be expressly authorised to keep securities issued in Austria abroad and securities issued abroad in Austria. Likewise it shall be authorised to cause registered securities issued abroad to be registered in the name of the domestic depository or in that of the nominee of the foreign depository ("nominee").

(3) The bank shall be liable vis-à-vis an entrepreneur only for the diligent selection of the third-party depository.

### B. Redemption of securities, renewal of coupons, drawing, calling

**Section 70** (1) The bank shall ensure detachment of due interest coupons, profit participation coupons and dividend coupons and collect their countervalue. The bank shall procure new interest coupons, dividend coupons and profit participation coupons without specific instruction.

(2) Drawings, callings and other comparable measures in respect of the securities held in safekeeping shall be monitored by the bank insofar as they are published in the official gazette "Amtsblatt zur Wiener Zeitung" or in "Mercur, Authentischer Verlosungsanzeiger". The bank shall redeem drawn and called securities as well as interest coupons, dividend coupons and profit participation coupons.

(3) In case of securities deposited with a third-party depository the same shall assume the obligations described in paragraphs (1) and (2) above. In case of securities held abroad the bank shall not be obliged to inform the customer about the numbers of the securities credited and in particular of securities redeemable by drawings. The bank shall then determine by drawing what customers are to be allotted the securities drawn.

If, however, numbers of securities redeemable by drawings are advised, they shall only be relevant to the drawing and redemption and only for as long as this is the practice abroad. If, according to the practice abroad, the collection amounts of the drawn securities would have to be distributed pro-rata and if in doing so it would not be possible to represent the remaining parts for individual customers in securities, the customers whose securities are to be redeemed shall be determined by means of a drawing.

### C. The bank's obligation to examine

**Section 71** The bank shall examine whether Austrian securities are affected by public notification procedures, payment stops and the like on the basis of the Austrian documents available to it once, namely on the occasion of delivery of the securities to the bank. Also the examination regarding invalidation procedures for securities lost or stolen shall be carried out upon delivery.

### D. Notification of conversion or other measures

**Section 72** In case of conversion, capital increase, capital reduction, merger, exercise or realisation of subscription rights, request for payment, grouping, change, exchange/conversion offer, coupon increase or other important measures regarding securities the bank shall, to the extent a respective notification has been published in the official gazette "Amtsblatt zur Wiener Zeitung" or communicated in time by the issuing house or the foreign depository, try to notify the customer thereof. If the customer fails to provide instructions in time the bank shall act to the best of its knowledge by taking into account the customer's interests and, in particular, realise rights which would otherwise forfeit at the latest point in time possible.

### III. Trade in foreign currencies and foreign banknotes

#### A. Procedure

**Section 73** The bank shall conclude a purchase agreement with the customer on foreign currency and foreign banknotes. If it is agreed that the bank acts as commission agent for the customer, the provisions on commission transactions contained in the section on trade in securities shall apply accordingly. In case the bank contracts in its own name no express notification pursuant to Section 405 UGB [Austrian Commercial Code] shall be required.

#### B. Forward transactions

**Section 74** cancelled.

### IV. Foreign currency loans

**Section 75** Foreign currency loans shall be paid back in the currency in which they were issued by the bank. Payments made in other currencies shall be considered security payments unless the bank informs the customer within two weeks of the payment that they will be used immediately for repayment of the loan. The bank shall also be entitled to convert an outstanding debit balance in a foreign currency into the domestic currency upon notifying the customer

- if it is no longer possible to refinance the loan issued to an entrepreneur due to legal or other circumstances for which the bank is not responsible, or
- if the entire loan is due for repayment and is not repaid despite a reminder, or
- if the credit risk in business relationships with entrepreneurs increases due to exchange rate movements in the foreign currency and if the bank does not receive sufficient security within a reasonable period of time.

### V. Collection and discount business, bill of exchange and cheque operations

#### A. Scope of application

**Section 76** These Terms and Conditions shall apply to bills of exchange, cheques and other collection documents (such as commercial instructions and certificates of obligation).

#### B. Collection or negotiation of documents

**Section 77** In principle, such documents shall be accepted by the bank for collection unless negotiation (discounting) of the same has been agreed upon.

#### C. Timeliness of orders

**Section 78** Orders for collection shall be received so much in advance that they may be carried out in the ordinary course of business without making use of special means of express handling.

#### D. Rights and obligations of the bank

**Section 79** In case of discounting the bank shall be entitled in the cases referred to in Sections 41 (2) and (3) to debit the seller with the full nominal amount plus all expenses incurred by the bank; in case of documents denominated in foreign currency the customer shall also bear the exchange risk.

**Section 80** In the events stated above as well as in case of redebts of "subject to collection" credits (Section 41) the claims under securities law for payment of the full amount plus ancillary expenses vis-à-vis the customer and any party obligated under the document shall remain with the bank until coverage of the debit balance which results from such redebit.

**Section 81** The bank may demand from the customer that the claim on which the document or acquisition of the same by the customer is based as well as all present and future rights arising from the underlying transactions including the collateral pertaining thereto be transferred. The bank shall only be obliged to cash documents which are due for payment with it if it has received an order from the customer in time and if sufficient coverage is ensured.