

General terms and conditions of lending

Private person

1.1.2020

1. Definitions

Mortgage loan refers to credit granted for obtaining shares in a corporation, which entitle the holder to the possession of a residential apartment, for obtaining or retaining a residential property or for obtaining or retaining a residential building situated in an area managed based on usufruct of immovable property. Credit granted for renovating a residential apartment, residential property or residential building is not a mortgage loan.

A consumer credit with a residence as the collateral refers to credit for which the collateral given includes shares in a corporation which entitle the holder to the possession of a residential apartment or mortgage on a residential property or a residential building situated in an area managed based on usufruct of immovable property. However, the consumer credit with a residence as the collateral may not be used in the purpose of obtaining or retaining the aforementioned assets.

Foreign currency credit refers to a mortgage loan or credit with a residence as the collateral, which is granted in a currency other than the currency of the EU or EEA state where the consumer lives, or other than the currency of the country, where the consumer earns their income or where they have assets which will be used to repay the credit.

Credit costs refer to the total aggregate amount of the interest, expenses and other charges, known to the Bank and payable by the debtor under the debt relationship, including the cost of any insurance policies and any other additional services related to the credit agreement, if entering into an agreement concerning the additional service is a prerequisite for obtaining the credit under the marketed terms and conditions. Credit costs do not include payments payable due to a consumer's breach of agreement.

Effective annual interest refers to the interest percentage determined by calculating the credit costs as annual interest on the amount of the debt, considering amortization instalments.

Distance selling refers to a situation where an agreement on a service is entered into by means of distance communication in such a manner that the customer does not meet the Bank's representative in person when the agreement is concluded. The use of eBanking or telephone banking services in connection with an existing agreement is not regarded as distance selling.

International sanctions refer to financial and other sanctions imposed by the USA, the EU, the UK or any member state of the European Economic Area (EEA) or the United Nations (UN) Security Council and sanctions, notifications and regulation issued by domestic and foreign authorities and other similar parties, such as the Office of Foreign Assets Control (OFAC).

2. Prerequisites for loan withdrawal

The withdrawal of the credit requires that:

- the debtor has signed the Loan Agreement;
- the Bank has, when granting the credit, received the collateral agreed upon, and all collateral documents concerning the pledge or guarantee are held by the Bank as binding and undersigned copies;
- the third-party pledger or guarantor have not declared that they will exercise their right of cancellation; and
- the debtor and third-party pledger and guarantor have provided the Bank with the information and documents related to the identification and authentication of the customer as requested by the Bank in a format accepted by the Bank; and
- any other terms and conditions set for the withdrawal of the credit or part thereof are fulfilled.

The Bank is entitled to reject the withdrawal of the credit of a part thereof, provided that grounds for acceleration exist under the terms and conditions of the debt, the debtor has filed an application for adjustment of debt or company reorganisation with a court of law or that an entry for payment default was recorded against the debtor after the credit was granted or grounds for rejecting the withdrawal exist due to the legis-

lation or a regulation binding on the Bank. If sanctions imposed by the UN, the UK, the USA, the EU or any member state of the EEA or any locally competent authority are directed at the debtor or if these have any impact on the debtor, the Bank has the right to take the action required by the international sanctions, such as reject the withdrawal of credit or a part thereof. The Bank will notify the debtor of any rejected withdrawal of the credit or a part thereof and the reasons for this rejection, unless giving such notification is not possible due to laws, regulations or guidelines binding on the bank. Once the requirements for credit withdrawal have been fulfilled, the credit can be withdrawn at a branch office or using eBanking services, for example, depending on the credit type. The credit must be withdrawn after three months of the signing of the Loan Agreement at the latest, unless otherwise agreed with the Bank.

3. Interest rate

3.1 Interest on a variable rate loan

The interest on the variable rate loan is made up of the reference rate of interest and the margin.

3.2 Effects of change in the reference rate on the loan interest rate

Euribor rate

Euribor rate is the reference rate for the euro zone money markets. The value and quotation dates of this reference rate of interest are based on what effectively applies to international practice at the time.

The interest on the debt remains the same during the rate reset period. The length of the interest rate reset period is indicated by the designation of the reference rate of interest. The first rate reset period begins on the date of withdrawal of the debt's first instalment. The next rate reset period begins when the previous rate reset period has ended.

The value of the debt's reference rate of interest on the credit changes on the starting date of each rate reset period in accordance with the value on that date at the time. When the starting date of the rate reset period is not the Euribor interest quotation date, the value of the debt's reference rate of interest uses the value of the debt's reference rate of interest from the previous quotation day.

Danske Bank Prime (FI)

The interest charged on the debt changes in accordance with Danske Bank Prime (FI)'s corresponding change on that date when Danske Bank Prime (FI)'s change becomes valid. The Bank confirms and announces the value of Danske Bank Prime (FI) rate in accordance with the instructions in effect at the time and maintains this value on display in its branch offices.

3.3 Fixed rate of interest

The amount of fixed rate of interest charged on the debt is determined upon the moment of withdrawal of the first instalment of the debt in accordance with the fixed interest period agreed in the Loan Agreement.

The fixed rate of interest in effect upon the moment of withdrawal may be higher or lower than the fixed interest percentage entered in the Loan Agreement. In the event that the fixed interest percentage is of a different amount upon the moment of withdrawal from that in the Loan Agreement, this change shall correspondingly affect the effective annual interest of the debt as well.

3.4 Notification of interest rate and instalments

If the interest rate changes, the Bank shall inform the debtor of the interest rate with regard to the rate reset period, up-to-date information on the amount and number of instalments and payment intervals afterwards in writing or otherwise in a permanent manner at least once a year. In the case of a mortgage loan, instead of the number instalments, the debtor will be informed of the last payment date.

During the contractual relationship, the debtor is entitled, free of charge to receive, upon request, an instalment table concerning the repayment of the debt. However, the Bank is not obligated to provide an amortization table if the Debtor has received an amortization table previously and no changes have been made to the amortization table.

3.5 Cessation or material changes to the reference rate

If reference rate is discontinued, the lender will choose as a replacement reference rate a reference rate, which is formally designated or recommended as the replacement for reference rate by the administrator of reference rate or any applicable authority or regulator.

If no replacement reference rate is designated for reference rate, the lender will choose a replacement reference rate. When choosing the replacement reference rate the lender will, where reasonably possible, take into account relevant market precedents as well as published recommendations and guidance from associations and public bodies involved in the establishment of market standards in the relevant markets.

If reference rate does not cease to exist but is materially changed in lender's reasonable opinion, the lender will nominate a replacement for reference rate by using the above mentioned principles.

If the discontinuance of reference rate is temporary or if reference rate otherwise becomes inaccessible, the lender will nominate a replacement reference rate for this temporary period by using the above mentioned principles.

The replacement reference rate will apply from the moment where the lender informs the debtor about the change.

3.6 Interest dates

Interest shall be calculated on the basis of the actual number of days elapsed, using the divider 360.

3.7 Annual interest on overdue payments

If the debt, its instalments or interest are not remitted so that they are received by the Bank on the due date, the debtor shall be liable to pay annual interest on overdue payments on the amount delayed from the due date to that date when the payment has been received by the creditor bank.

The rate of interest for late payment is 7 percentage points higher than the reference rate of interest referred to in the Interest Act. However, the interest for late payment is at least equal to the interest charged on the debt by the Bank.

If the interest collected by the Bank before the expiry of the debt is higher than that specified in the Interest Act as outlined above, the Bank is entitled to apply this higher rate as the overdue interest rate for a maximum period of 180 days from the date the entire debt has become due for payment; however, not longer than until a court of law has issued its verdict regarding the debt. After this, the penalty interest is determined according to the Interest Act.

3.8. Interest rates for special loans

When there are regulations on the loan in special enactments, and the regulation concerning loan rate of interest changes, or the authority decides to change the interest on the basis of the law concerned, the Bank shall have the right to change the rate of interest charged on the debt accordingly. The Bank shall inform the debtor of a change in interest in accordance with Section 3.4.

4. Banking day

The banking days in accordance with this Loan Agreement are weekdays from Monday to Friday, excluding Finnish holidays, Independence Day and May Day as well as Christmas and Midsummer's Eve and days which are otherwise not regarded as banking days.

5. Transfer of the Payment date

If the due date is not a banking day, the payment date of the loan, the interest charged on it and the costs of managing the loan are transferred to the next banking day.

If the due date is at the end of the calendar year and is not a banking day, the payment date is not transferred to the next year, but is brought forward to the last banking day of the year. When the due date is transferred, the Bank will collect interest on the loan in accordance with the valid rate reset period until the new transferred due date on the entire remaining principal of the loan.

6. Right of withdrawal

6.1 Right of withdrawal

The debtor has the right to withdraw from the credit agreement by notifying the Bank of the withdrawal within 14 days after the debtor has received a permanent copy of the credit agreement and in distance selling, the preliminary information.

If the debtor withdraws from the credit agreement, the Bank shall charge, as compensation, interest on this credit for the period during which the credit has been at the disposal of the debtor. If the credit agreement was made through distance selling, the Bank has the right to demand as compensation the actual annual interest on the credit for the time the credit facility was at the debtor's disposal. The amount of the interest payable is stated in the Loan Agreement.

The debtor must, without delay and within 30 days of sending the notice of withdrawal, return in full the assets received on the basis of the agreement under risk that the withdrawal shall otherwise lapse.

6.2 Releasing the security

If a security has been provided for the credit to be cancelled, the Bank shall release the security at the time when the debtor repays, with interest, all of the assets he or she has received based on the credit agreement.

6.3 Non-binding nature of related agreements

Another agreement related to the credit agreement shall not be binding on the debtor when he or she withdraws from the credit agreement, if the related service is provided by the Bank or a third party based on an agreement or another arrangement between the third party and the Bank.

If the debtor wishes to continue the related agreement despite withdrawal the credit agreement, he or she shall inform the Bank thereof within 30 days of sending the notice of withdrawal.

7. Premature repayment of entire loan

7.1 The debtor's right to repay the loan

The debtor has the right to repay the credit prematurely, in full or in part by notifying the Bank thereof.

If the debtor repays the credit prematurely in full or in part, the proportion of the credit costs for the unused period of credit shall be deducted from the Bank's outstanding claim. However, the Bank is entitled to charge in full the costs related to establishment of the credit specified in the credit agreement.

The Bank is entitled to receive compensation for any costs arising from any collateral arrangements regardless of the full or partial premature repayment of the credit.

7.2 The Bank's right to receive compensation for the premature repayment of a mortgage loan

If the debtor repays the mortgage loan prematurely in full or in part, the Bank shall have the right to charge, as compensation, the loss due to the lower interest level for the remaining credit period with a fixed rate of interest or rate reset period of the reference rate if the amount of the credit granted exceeds EUR 20,000 and the rate of interest of the credit is fixed or the rate reset period of the reference rate is at least three (3) years.

7.3 The Bank's right to receive compensation for the premature repayment of loans other than mortgage loans

The Bank shall have the right to receive compensation from the debtor where the debtor repays the credit prematurely, either in full or in part, and the rate of interest of the credit is fixed.

The maximum amount of the compensation shall be one per cent of the repaid credit or, if the premature repayment is made less than 12 months before the expiration of the credit agreement, 0.5 per cent of the repaid amount of the credit. However, the maximum compensation charged shall be the amount of the interest for the period between the time of the premature repayment and the expiration of the credit agreement.

The Bank shall nevertheless not be entitled to receive compensation if the premature repayments made within the past 12 months are at most EUR 10,000 or if the repayment is made based on a loan insurance policy.

8. The debtor's right to allocate the payment

If the debtor has several loans from the Bank, the debtor has the right to allocate his or her payment to the loan desired. The Bank shall determine which items of the individual loan shall be covered by the payment.

9. Foreign currency credits

9.1 Limiting foreign exchange risks

If a foreign currency credit is offered in a currency other than the euro, the Debtor is entitled at any time to have the loan agreement converted into euros. The conversion shall be made according to the official exchange rate on the third banking day after the Debtor's request has been received by the Bank.

9.2 Disclosure obligation of the Bank during a foreign currency loan agreement

If the remaining amount of credit or the amount of payment instalments deviates by more than 20 percent of the amount of the credit agreement using the original exchange rate when the agreement was made, the Bank shall notify the Debtor without delay and thereafter regularly for as long as the deviation exceeds 20 percent.

10. Special grounds for acceleration of the loan

10.1 Special acceleration of the loan due to a delay in payment

The loan will become due and payable upon written demand by the Bank if the debtor has neglected the remittance of capital, interest or overdue interest on the due date if:

- payment has been delayed for a minimum of one month and remains non-remitted, and
- if the amount delayed is at least 10% or if it includes more than one instalment totalling at least 5% of the original amount of the debt.

However, the loan will become due and payable upon the written demand by the Bank if payment was delayed by at least six months and remains outstanding to an essential extent. The Bank shall not have the right to accelerate the loan if the delay is due to the debtor's illness, unemployment or another comparable factor not attributable to him or her. However, the Bank shall be entitled to accelerate the loan if, considering the duration of the delay and other circumstances it would be clearly unreasonable for the Bank to continue the loan relationship.

10.2 Acceleration due to reasons other than payment default

The loan will become due and payable upon written demand by the Bank if:

- the debtor or one of the debtors has supplied the Bank with misleading information, which may have affected the granting of the loan or its terms;
- the debtor or one of the debtors dies;
- the collateral securing the debt is liquidated
- insuring the collateral securing the debt has been neglected, or
- the debtor or any of the debtors is in essential breach of the credit agreement,
- according to the Bank's estimate, sanctions imposed by the UN, the UK, the USA, the EU or any member state of the EEA, or party acting on their behalf, or any locally competent authority are directed at the debtor or these have an impact on the debtor, directly or indirectly.

If bankruptcy proceedings are initiated concerning the debtor, the debt becomes due for immediate repayment.

If the guarantor or one of the guarantors dies or is declared bankrupt, the debtor or co-guarantor must obtain a new Bank-approved guarantor or other security approved by the Bank must be found during the time limitation stipulated by the Bank of one month at minimum. Otherwise the Bank may cancel the debt in writing for immediate repayment.

If the Bank indicates that the security given can no longer be regarded as sufficient and a decline in the security value derives from the actions of the debtor or provider of security,

the debtor must, during the time limitation of at least one month as stipulated by the Bank and in a manner approved by the same, increase the security or reduce the debt by an amount reported in writing by the Bank. Otherwise the Bank may cancel the debt in writing for immediate repayment.

10.3 Validity of acceleration

Acceleration of the debt becomes valid within four weeks from the date when the notice concerning acceleration was sent to the debtor; if the debtor has received prior notice concerning delays in repayment or another breach of contract, the time is two weeks. If the debtor pays the delayed amount or rectifies the breach of contract within the above-mentioned period, the acceleration shall automatically lapse. If the debtor is declared bankrupt, the debt shall fall due for repayment immediately.

If the credit is accelerated, the proportion of the credit costs for the unused period of credit shall be deducted from the outstanding amount. However, the Bank is entitled to charge in full the costs related to establishment of the credit specified in the credit agreement.

10.4 Right of the debtor to exceptional acceleration of the loan

The debtor shall have the right to accelerate the repayment of the debt based on a material breach or violation of this agreement by the Bank in connection with this loan relationship. In this case, the debtor shall not be obliged to remit costs to the Bank incurred by premature payment of the debt.

11. Revision of fees and charges

Due to a decision or order of an authority or changes in legislation, the Bank may increase the fees and commissions charged on the credit pursuant to the Credit Agreement by the amount corresponding to the change in the cost level, provided that the grounds for the change directly concern the Credit Agreement in question. The increase shall not exceed the effective increase incurred to the Creditor in the costs subject to which the fees and commissions in accordance with the Credit Agreement are charged. It is enough, however, if the increase only roughly corresponds to the effective cost increase.

The right of the Bank to the above-mentioned increase shall end when its grounds no longer exist.

The Bank will notify the borrower in writing or, subject to separate agreement, electronically of any revision of fees and charges and the impact of these on the size and number of instalments or, in the case of a housing loan, the last repayment date. Any revision will become effective as of the date notified by the Bank, but no earlier, however, than one (1) month of notification having been sent to the borrower.

12. Use of credit information

The Bank uses the debtor's/guarantor's/pledger's personal credit information when granting and monitoring credit and accepting guarantees and securities. The credit information is acquired from the credit information register of Suomen Asiakastieto Oy.

13. Registering a default with a credit information register

If the debtor fails to make a payment, the Bank is entitled to report a default in payment obligations arising from a credit agreement in a credit information register, if the payment was delayed for at least 60 days after the original due date specified in the notification and the Bank and the debtor have not entered into a new payment agreement after the original due date, or if the registration is otherwise allowed in accordance with legislation or a decision by the data protection authority.

14. Notices and disclosure of information

14.1 Bank's right to notify the guarantor and provider of security of the debtor's solvency

The Bank shall have the right to give information to the guarantor and provider of security regarding all of the debtor's obligations to Danske Bank A/S, Finland Branch and Danske Mortgage Plc, payment defaults and other circumstances affecting the debtor's solvency.

14.2 Debtor's obligation to disclose information

The debtor must notify the Bank without delay of any change in his/her name and address. The debtor must provide the Bank at its request with information affecting his or her financial position and other information concerning the obligation of the debtor to the creditor that is necessary to the Bank as credit granter.

14.3 Information provision date

Any written notification sent by the Bank to the debtor is considered to have reached the recipient no later than on the seventh day after sending, if it has been sent to the address most recently submitted to the Bank or the Register Office. If the notice has been sent electronically by means of distance communication as agreed, the message shall be regarded as having been received by the recipient on the seventh day after dispatch.

15. Right to make changes

The Bank is entitled to alter the terms and conditions of the loan by notifying the debtor in writing in advance, provided that the change does not increase the liabilities of the debtor or diminish his or her rights or that it is due to amended legislation or by the decision of public authorities. The debtor shall be regarded as having accepted the changes proposed by the Bank, unless he or she presents his or her objections to the

changes by their proposed date of entry into force. The debtor shall be informed of any changes at least two months before the change enters into force.

16. Refinancing the promissory note loan

The Bank is entitled, without notifying the debtor separately, to refinance this promissory note loan in with a covered bond. If the Bank were to become subsequently insolvent, the debtor would be liable to pay the debt to the Bank in accordance with the terms and conditions of the Loan Agreement, even if the Bank were unable to pay a consideration to the debtor in excess of any payment made in accordance with the deposit guarantee.

17. The Bank's responsibility for losses

The Bank shall not be held liable for any indirect losses incurred by the debtor, unless they were caused intentionally or due to gross negligence.

If international sanctions are directed at the debtor or if these have any impact on the debtor, directly or indirectly, the Bank has the right to take the action required by the international sanctions, and the Bank will not be responsible for any direct or indirect losses that potentially arise from the rejected withdrawal of the credit or a part thereof or for any other actions related to these sanctions that the Bank has deemed necessary at its discretion

18. Force majeure

A party to the agreement shall not be held liable for losses if it can demonstrate that it was prevented from meeting an obligation due to an exceptional and unforeseen reason that is beyond the party's control and the consequences of which it would not have been able to avoid through careful action. Furthermore, the Bank shall not be liable for losses if meeting the obligations based on this agreement would be against the Bank's obligations as otherwise provided by law.

Finnish law shall be applicable to this debt relationship.

The parties to the agreement are obliged to inform each other as soon as possible with regard to any force majeure encountered. If force majeure affects the Bank, the Bank may report the matter in national daily newspapers.

19. Supervisory authorities

Danish Financial Supervisory Authority (Finanstilsynet)
Århusgade 110, DK-2100 Copenhagen Ø, Denmark
Telephone: +45 33 55 82 82
www.finanstilsynet.dk

Within the scope of their authority, the operations of Danske Bank A/S Finland Branch will also be supervised by:
Financial Supervisory Authority
Snellmaninkatu 6, P.O. Box 103,
FI-00101 Helsinki, Finland
Telephone: +358 9 183 51
www.finanssivalvonta.fi

In addition, the operations of Danske Bank A/S Finland Branch will be supervised by the Finnish consumer ombudsman and other Finnish authorities.

20. Legal remedies outside courts of law

The debtor may submit a dispute concerning the general terms and conditions of lending and the credit agreement for consideration by the Finnish Financial Ombudsman Bureau (FINE, www.fine.fi) or the Bank Board operating in connection with it, or the Consumer Disputes Board (www.kuluttajariita.fi).

21. Applicable law and place of jurisdiction

The debtor may take legal action concerning disputes arising from the debt relationship against the Bank in the District Court of Helsinki or in the district court of the locality in Finland under whose jurisdiction the debtor's domicile or permanent residence falls. If the debtor has no residence in Finland, disputes shall be settled in the District Court of Helsinki.