

General terms and conditions for business loans and credits

Applicable from 15 July 2019

These terms and conditions apply to loans and credits (each a Facility) provided by Danske Bank A/S (the Bank) to its business customers and form an integral part of the agreement entered into between the Customer and the Bank (the Agreement).

These general terms and conditions may be changed by the Bank at one month's prior notice. The Bank announces changes to the terms and conditions in the Danish daily press, providing details of where on the Bank's website to find an online version of the updated terms and conditions.

In these terms and conditions, a "business day" means a day on which the Bank is open for general business.

1 Prior conditions

Disbursement of loans and utilisation of credits may be subject to the fulfilment of prior conditions set by the Bank.

2 Interest, fees and commissions

2.1 Interest

I. General information about interest and commission

The Bank informs the Customer about prevailing rates on request. The Bank sets individual interest rates on a case-by-case basis, depending on the Customer's aggregate business relationship with the Bank, including the amounts of deposits, loans and credit facilities.

The Bank may change commission rates and other rates which in other agreements may also be referred to as "margin", "deduction" or "favourable terms" according to the same guidelines as set forth under item 2.1II.A, and B.

II. Changes to interest- and commission rates

If the Customer has entered into an agreement with the Bank on a fixed interest or commission rate or other special interest terms or rates, the Agreement will specify the Bank's right to change such terms and rates. Otherwise, the Bank may change interest rates as follows:

A. Without notice

The Bank may raise variable lending rates without notice if

1. changes in national or international monetary or credit policies cause the general level of interest rates to change in a way that affects the Bank

2. other changes in the general level of interest rates, including developments in the money and bond markets, affect the Bank.

In such cases, the Bank changes interest rates because of external factors beyond the Bank's control, for example, when the Danish central bank changes its leading interest rates.

B. At one month's notice

The Bank may raise variable lending rates at one month's notice if the changes are owing to market, earnings or competition factors, including risk, regulatory and expense factors, in Denmark or abroad, for example

- increased funding costs
- increased solvency, capital or liquidity requirements
- a generally higher expense level, including a rise in the contribution to general guarantee schemes
- an imbalance between various market interest rates
- increased credit risk
- increased operational risk for the Bank
- changes to legislation, legal practice or measures taken by public authorities
- a more appropriate use of the Bank's resources
- changes in taxes and duties that affect the Bank
- changes in the Bank's pricing and fee structure because of business needs unrelated to the trend in the general interest rate level
- the basis on which the Customer's individual interest and commission terms are determined changes materially; such material changes include changes in the Customer's own situation, for example changes in the amounts of deposits, loans or credit facilities

III. Computation and addition of interest and commission

The value date is the date on which an entry on the Customer's account affects the computation of interest and commission.

A. Value dates of withdrawals

When the Customer withdraws funds from an account, the value date is the business day of the withdrawal.

If the Customer uses a card to make a purchase or withdraw funds, the value date is the date on which the Bank receives the transaction. This is usually the date of

the purchase or withdrawal. If the date of receipt is not a business day, the value date is the following business day.

Information on interest calculation in connection with transfers from Denmark, transfers in foreign currency to other Danish banks and payments by cheque in foreign currency is provided in the Bank's "Terms and conditions for transfers to and from Denmark and transfers in foreign currency in Denmark".

B. Addition of interest

The Bank usually calculates interest each day for each account on the basis of calendar days. Interest on loans is added quarterly in arrear.

The "Computation and Addition of Interest - Consumers" brochure, which is available on the Bank's website, contains additional information about value dates and the calculation and addition of interest, including the minimum amount of interest added.

IV. Excess and late payment interest

The Bank is entitled to charge excess or late payment interest if the Customer's account is overdrawn or an amount due is not paid on time. In addition, the Bank may claim reimbursement of costs incurred for the monitoring, handling and collection of due amounts.

2.2 Fees

I. General information about fees

The Bank usually charges a fee for providing services, such as executing payments outside Denmark, retrieving account statements and other documents, performing special tasks and sending reminders.

The Bank also charges a fee for responding to enquiries from public authorities such as the tax authorities.

The Bank will inform the Customers about fees on request.

II. Calculation of fees

Fees may be a fixed amount, a percentage, an hourly rate or a combination of the three.

III. Changes to fees

Fees can be divided into two categories: fees charged for "ongoing contractual services" and fees for "one-off services". Currency exchange as well as purchases and sales of securities are examples of one-off services, whereas ongoing contractual services usually cover

agreements running for a certain period of time, for example account agreements.

The Bank may lower fees without notice. The Bank may also introduce and raise fees for one-off services without notice. The same applies to new ongoing contractual services.

For existing ongoing contractual services, the Bank may raise the fees the Customer pays on an ongoing basis at one month's notice if the changes are owing to market, earnings or competitive factors, including risk, regulatory and expense factors, in Denmark or abroad, for example

- increased funding costs
- increased solvency, capital or liquidity requirements
- a generally higher expense level, including a rise in the contribution to general guarantee schemes
- an imbalance between various market interest rates
- increased credit risk
- increased operational risk for the Bank
- changes in the law, legal practice or measures taken by public authorities
- a more appropriate use of the Bank's resources
- changes in taxes and duties that affect the Bank
- changes in the Bank's pricing and fee structure because of business needs unrelated to the trend in the general interest rate level
- the basis on which the Customer's individual fee terms are determined changes materially; such material changes include changes in the Customer's own situation, for example changes in the amounts of deposits, loans or credit facilities

If, for the reasons listed above, the Bank introduces new fees for existing ongoing contractual services that is, fees for services for which the Bank did not previously charge a fee, the Bank will do so at one month's notice.

2.3 Notice of changes to interest, commission rates and fees

The Bank announces changes in interest, commission rates and fees in the Danish daily press or by letter. The Customer can see the new interest and commission rates on the first account statement or other statement the Customer receives after the change.

The Bank advises the Customer by letter if a change in the basis on which the Customer's individual interest,

commission or fee terms are determined causes changes to interest or commission rates or fees.

2.4 Change of reference rate and interest calculation

If an agreed reference rate has been discontinued or is otherwise unavailable, the Bank may choose another reference rate.

The Bank may also change the method for calculation of interest.

3 Currencies

If a facility is disbursed in another currency than the currency of the facility, the amount is converted in connection with the disbursement.

If instalments, interest, fees and costs are debited to an account with a currency other than the currency of the facility, the amount is converted to the corresponding amount in the currency of the facility.

The Bank's conversion of a currency is based on the Bank's selling and/or buying rate of exchange for the currency in question. The exchange rate is determined two business days prior to the payment date or on the payment date, as the case may be, according to standard practice for the currency in question.

If the Bank cannot procure a currency on the international currency markets, either because it has ceased to be convertible and/or transferable or for a similar reason, the Bank reserves the right to convert the Facility into any other currency at its discretion, irrespective of any repayment terms agreed. Such conversion

is based on the exchange rates quoted by the Bank on the day of conversion. The Customer receives a settlement notice in connection with the conversion.

All losses, damages, expenses and currency risks arising from the Customer's use of foreign currencies are for the Customer's own account.

4 Repayment

4.1 The Facility is repaid in accordance with the terms and conditions set out in the Agreement.

In the event that the Customer can make partial payment only, the Bank decides which parts of a claim to cover first.

4.2 Unless otherwise stated in the Agreement, the Customer may at any time repay the debt outstanding on the Facility in full or in part. Such repayment may be subject to break costs and other conditions set by the Bank.

5 Termination

5.1 The Bank may terminate a Facility at 14 days' written notice, stating the reason for termination. In the event of termination, the Customer must repay the debt outstanding on the Facility together with all accrued interest, fees and costs.

5.2 The Customer may at any time terminate the Agreement by repaying the debt outstanding together with all accrued interest, fees and other costs (see Section 4 and 9).

5.3 The Bank may at any time and without notice terminate the Agreement and demand immediate repayment of the debt outstanding on the Facility, if an event of default occurs, irrespective of any agreed repayment schedule, e.g. if

- a) the Customer is in breach of any obligation under the Agreement or any other obligation towards the Bank
- b) the value of collateral, including guarantees, established in favour of the Bank has materially deteriorated or in the opinion of the Bank is no longer satisfactory for any reason. The Bank may grant the Customer the right to provide additional collateral within a timeframe fixed by the Bank; however the Bank is not required to do so
- c) the Customer dies, becomes subject to bankruptcy, reorganisation, liquidation or other legal proceedings initiated or orders issued by the authorities or, in the opinion of the Bank, other reasonable grounds exist, which indicate that the Customer will not be able to fulfil its obligations towards the Bank
- d) the Bank, for reasons beyond its control, no longer deems it possible to maintain the Facility, including, but not limited to, if circumstances exist under which it would be partly or fully unlawful to maintain the Facility
- e) the Customer (see Section 12) or a guarantor (if any) fails to supply the Bank with information or documentation when asked to do so by the Bank, including, but not limited to, in connection with the Bank's ongoing anti-money laundering activities or credit risk monitoring of the Customer's facilities

- f) in the reasonable opinion of the Bank, the Customer or the continuation of a Facility or facilities (as applicable) directly or indirectly become or may become subject to, affected by, or the target of, sanctions (regardless of cause or manner) imposed by the UN, the US, the EU or any local authority
- g) on the basis of the information received under Section 12, it is reasonable to assume that the Customer will not be able to fulfil its obligations towards the Bank
- h) the Customer fails to pay the insurance premium for an all-risk insurance and/or fire insurance covering pledged collateral, such as, a vehicle, vessel, moveables or real estate
- i) the Customer fails to pay the insurance premium for collateral pledged by a third party, if the latter fails to do so
- j) in the opinion of the Bank, the Customer commits a breach of applicable laws or regulations

After an event that has triggered immediate repayment of the Facility, the Bank is entitled at any time to

- switch from one reference rate to another
- convert foreign currency to another currency
- charge interest, overdraft interest, unapproved excess interest and fees connected to the repayment
- charge compensation for any losses suffered by the Bank as a result of immediate repayment. This includes break costs in connection with the replacing of the amount on the debt capital market, the international currency markets etc.

6 Close-out netting

The Bank may apply close-out netting if an event of default occurs, cf. clause 5.3. Close-out netting can be applied in relation to any existing or future financial obligation [(in Danish: finansiel forpligtelse)] (cf. Section 5(2) of the Danish Capital Markets Act (in Danish: Kapitalmarkedsloven) between the Bank and the Customer, see the rules set out in Section 206 of the Danish Capital Markets Act or any equivalent provision. To the extent that any other agreement allows for close-out netting between the parties, such close-out netting may take place according to the provisions of that agreement first. The resulting net amount may be subject to close-out netting in accordance with the rules in this clause.

When close-out netting is applied, the present value of financial obligations of the Customer and the Bank are calculated in DKK or another agreed currency. The financial

obligations of the Customer and the Bank are then netted to a single amount.

Financial obligations secured by an agreement on financial collateral or other collateral are written down by the proceeds of collateral realised, if any. The net amounts are then included in the close-out netting.

The present value of the Customer's financial obligations to the Bank equals the total amount outstanding on the date of calculation, including interest added but not yet paid, with addition of accrued, but not yet added interest and costs.

The calculation will also include compensation for any losses suffered by the Bank as a result of immediate repayment and estimated values of contingent financial obligations and liabilities and claims which are subsequently due, such as outstanding guarantee obligations towards third parties (estimated in the sole discretion of the Bank). The Bank may adjust the final close-out netting amount with the concluded claims related to such obligations.

7 Set-off

The Bank is entitled to set off, without prior notice, any claim for amounts (whether due or not) from the Customer to the Bank, against any present or future claim that the Customer may have against the Bank.

At any such set-off, amounts denominated in a foreign currency may be converted to DKK by the Bank.

8 Assignment of the claim

The Bank is entitled to sell or otherwise transfer all or part of the claim pursuant to a Facility, including any collateral, to domestic or foreign branches of the Bank, subsidiaries of the Bank, other banking institutions or other companies. The Bank is also entitled to take out guarantees or insurance policies in respect of any such claim under a Facility.

The Customer agrees that the Bank may pass on information about the Facility to potential buyers, guarantors or insurers of the claim. No information is given about any other business relations the Customer may have with the Bank. Potential buyers, guarantors, insurers, etc., to whom the Bank passes on information must be under an obligation to observe professional secrecy with respect to the confidential treatment of information about the Customer or must commit themselves accordingly.

9 Reimbursement

The Bank is entitled to claim reimbursement of

- any amount paid on the Customer's behalf, e.g. any registration fees, taxes and duties
- expenses incurred because the Customer fails to fulfil the Customer's obligations, e.g. the payment of insurance premiums for collateral, or court, legal or other fees

10 Legislative and market changes

If the Bank's expenses relating to providing a Facility increase as a result of

- legislative changes,
- changes in money markets, including inter-bank money markets,
- changes in the availability of funding
- changes in rules and regulations or administrative procedures introduced by tax, monetary, exchange or supervisory authorities or other authorities
- introduction of provisions imposing restrictions or specific action on or by the Bank, including deposit requirements or similar requirements, or payment of fees, duties or taxes of any nature,

then the Customer must pay such additional expenses. If such changes occur, the Bank notifies the Customer hereof in writing.

11 Taxes

The Customer is obliged to repay the full amount borrowed, all principal instalments and accrued interest and fees, whether or not taxes, charges and fees are imposed in respect of the Facility now or in the future.

12 Disclosure

The Customer must notify the Bank of any change of its name, address or other contact details. In addition, the Customer must inform the Bank of any material changes to its management and ownership, changes to its business model, mergers, demergers and other factors, which are significant to the Customer's business.

Upon request the Customer must, at its own expense, provide the Bank with any information related to the customer relationship, e.g.

- in connection with the Bank's ongoing anti-money laundering activities
- in connection with the Bank's credit risk monitoring or a general assessment of the Customer's financial position
- all details of financial statements, budgets and auditing, including audit reports
 - For companies, such information could be the audited annual report with specifications and budgets
 - For other businesses, including sole traders, such information could be financial statements that include income and capital statements
- insight into the personal financial position of the owner or main shareholder through, for instance, annual tax returns, tax assessment notices and budgets

This applies even if the Bank did not request such information when the Agreement was concluded.

The Bank may demand similar insight into the financial position of guarantors.

13 Notices

All notices in respect of the Facility can be provided electronically, for example via the Business Online or District services, even though the documents, terms and conditions and other materials contain words such as "written".

14 Liability of the Bank

The Bank is liable for the tardy or defective performance of its contractual obligations resulting from error or negligence. Even in areas where stricter liability applies, the Bank is not liable for losses arising from

- a) breakdown of or lack of access to IT systems or damage to data in these systems due to any of the factors listed below and regardless of whether the Bank or a third-party supplier is responsible for the operation of these systems
- b) power failure or breakdown of the Bank's telecommunications, legislative or administrative intervention, acts of God, war, revolution, civil unrest, sabotage, terrorism or vandalism (including computer virus attacks or hacking)

- c) strikes, lockouts, boycotts or picketing, regardless of whether the Bank is itself a party to or has started such conflict and regardless of its cause; (this applies even if the conflict affects only part of the Bank)
- d) other circumstances beyond the Bank's control

15 Passing on information to guarantors and third-party pledgors

The Customer acknowledges that the Bank may provide any third-party pledgor or guarantor with

- a copy of the Customer's latest financial statements, or other information necessary to clarify the Customer's financial position in a risk evaluation performed by a third-party pledgor or a guarantor
- an outline of the facilities that the Customer has with the Bank and the Customer's obligations towards the Bank

An outline of facilities and obligations is provided only upon request from a third-party pledgor or guarantor.

The Customer also acknowledges that the Bank may

- send an annual statement of debt outstanding on the facilities and obligations for which collateral or a guarantee has been provided to the third-party pledgor or guarantor that has provided such collateral or guarantee
- inform third-party pledgors or guarantors of any respite or arrears on facilities and obligations for which the pledgor or guarantor in question has provided collateral or a guarantee
- at any time inform a third-party pledgor or guarantor of the balance on facilities and obligations for which the pledgor or guarantor in question has provided collateral or a guarantee