

# Regulations on providing credit risk bearing products

Effective as of 10 January 2025



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## Chapter 1 Definitions of basic terms used in the regulations

<b>Letter of Credit</b>	A documentary letter of credit in foreign or domestic trade, referred to in Article 85 of the Banking Law Act, not covered in advance by the Applicant, made available on the terms and conditions set out herein and in the agreement on the provision of a Product.
<b>Bank</b>	mBank S.A. with its registered office in Warsaw.
<b>Beneficiary</b>	An entity entitled to demand payment under a Guarantee or a Letter of Credit.
<b>Whitelist</b>	The list of accounts of entities registered as VAT payers, unregistered entities, and entities removed from and re-entered in the VAT register, maintained electronically by the Head of the National Revenue Administration in accordance with the Act of 11 March 2004 on Goods and Services Tax.
<b>Drawdown</b>	The amount of a loan disbursed under a Payment Order.
<b>Debtor</b>	An entity obliged to repay a Trade Receivable due to the Supplier arising from sale agreements or delivery of goods, services or rights.
<b>Supplier</b>	A business selling goods, services or rights to the Debtor.
<b>Days of Grace</b>	The period after the payment date indicated on the invoice ("permissible delay period") during which the Bank charges contractual discount interest instead of late payment interest.
<b>Business Day</b>	Each day from Monday to Friday, excluding any public holidays, on which the Bank carries out its operations governed by the Regulations.
<b>Bills of Exchange Discounting</b>	The purchase of rights by the Bank under a promissory note or a draft and disbursement of the bill of exchange amount less discount interest, fees and commissions.
<b>Trade Receivables Discounting</b>	Purchase of Trade Receivables by the Bank and disbursement, prior to the Invoice payment date, of the Trade Receivables amount less discount interest, fees and commissions.
<b>Invoice</b>	A document issued by the Supplier confirming the sale of goods, a right or a service, which as of the date of its preparation meets the legal requirements. An Invoice: 1/ is issued in paper form, or 2/ is uploaded to the mBank InvoiceNet System as an electronic image representing receivables arising from the sale of goods, a right or a service by the Supplier to the Debtor.
<b>Guarantee</b>	A bank guarantee referred to in Article 81 of the Banking Law Act or a standby Letter of Credit. We make guarantees available in accordance with the rules set out in the Regulations and the agreement on the provision of a Product.
<b>Client</b>	A business established in accordance with the applicable law which concluded a Bank Account Agreement or the agreement on the provision of a Product with the Bank.
<b>Loan</b>	An amount made available to the Client on the rules set out in the Regulations and a Loan Agreement or a Loan for Any Purpose Agreement.
<b>Borrower</b>	A Client with whom the Bank concluded a Loan Agreement.
<b>Limit/Line</b>	The maximum total amount set in the Agreement, up to which Products may be made available to the Client on the rules set out in the Regulations and the Agreement.
<b>Forced Receivable</b>	The Bank's receivable due from the Client being the Applicant of a Letter of Credit or a Guarantee. The receivable arises when the Bank makes a payment under the Guarantee or the Letter of Credit when there are no funds in the Applicant's accounts to pay the Bank's receivables.
<b>Quotation</b>	A Base Rate quoted on a given day is the Base Rate applicable to that day, regardless of its publication date.
<b>Interest Period</b>	A period in which we calculate accrued interest.
<b>Portal</b>	The website of mBank Group being a network of webpages hosted on the Bank's web server at <a href="http://www.mbank.pl">www.mbank.pl</a> .
<b>Banking Law Act</b>	The Banking Law Act of 29 August 1997 or another act which amends or replaces it and the implementing provisions issued under these acts.
<b>Product</b>	A credit risk bearing banking product made available to the Client on the rules set out in the Regulations and in the Agreement, including an Agreement on the Payment of Liabilities.
<b>Event of Default</b>	An event described in Chapter 13, which may be deemed by the Bank as an infringement of the terms and conditions of the Agreement.
<b>Account</b>	A Client's bank account kept by the Bank, indicated in the Agreement.

<b>Regulations</b>	The Regulations on Providing Credit Risk Bearing Products.
<b>ZURB Regulations</b>	Regulations on Opening, Holding and Closing an Integrated Bank Account at mBank S.A.
<b>Regulations on Bank Accounts</b>	Regulations on Opening, Holding and Closing Bank Accounts at mBank S.A.
<b>Client Sublimit</b>	An amount specified in the Agreement for a group of related entities, to be used by the Client under the available Limit or Product Sublimit.
<b>Product Sublimit</b>	The total amount specified in the Framework Agreement, up to which specific Products may be made available to the Client within the available Limit.
<b>Base Rate (Benchmark)</b>	The index or benchmark specified in the Agreement, including ON RFR (overnight risk-free rate) or compounded RFR, which is used to determine the amount of interest or other remuneration due to the Bank. The procedure to be followed in the event of changes to, cessation of provision or cessation of publication of a Benchmark is specified in Appendix No. 1 to the Regulations. The terms Base Rate and Benchmark are used interchangeably.
<b>Parties</b>	The Bank and the Client.
<b>mBank InvoiceNet</b>	An online invoice presentation system through which the Bank provides financial services in the area of trade finance. The Bank makes mBank InvoiceNet available to the Client under a separate agreement.
<b>mCN</b>	The Internet customer service system mBank CompanyNet (electronic banking) made available to the Client under a separate agreement with the Bank.
<b>Agreement</b>	An agreement on the provision of Products signed by the Parties, with the Regulations constituting an integral part thereof.
<b>Discount Agreement</b>	An agreement between the seller and the Bank or between the Client and the Bank. The subject matter of the Discount Agreement is Trade Receivables Discounting or the Bill of Exchange Discounting.
<b>Loan Agreement</b>	Every loan agreement concluded between the Client and the Bank.
<b>Loan for Any Purpose Agreement</b>	Every loan for any purpose agreement concluded between the Client and the Bank.
<b>Bank Account Agreement</b>	An agreement under which the Bank keeps an Account for the Client.
<b>Framework Agreement</b>	An agreement under which the Bank makes the Limit available to the Client for use in the form of Loans or other Products within the time limits and under the rules set out in the agreement.
<b>Implementing Agreement</b>	Every agreement on the provision of a Product made available to the Client under the Framework Agreement, including an Order to provide a Product approved by the Bank.
<b>Collateral Agreement</b>	Every agreement under which Collateral is posted.
<b>Agreement on the Payment of Liabilities</b>	An agreement concluded between the Debtor and the Bank specifying the rules for repaying the Debtor's liabilities and the terms and conditions of the Debtor's financing by the Bank.
<b>Base Currency</b>	The currency of a Product or Limit indicated in the Agreement which may be used in different currencies.
<b>Bill of Exchange</b>	A security provided with a signature, issued in the form strictly defined by the Bills of Exchange Act. It incorporates an unconditional promise to pay (a promissory note) or an order to pay (a draft). A Bill of Exchange constitutes an obligation to pay the amount indicated on the Bill of Exchange on a defined day.
<b>Trade Receivable</b>	The right to demand monetary consideration arising from the delivery of goods, services or rights as part of ongoing business activity.
<b>Collateral</b>	Collateral securing the Bank's receivables indicated in the Agreement, which the Client is obliged to post.
<b>Overdue Debt</b>	The Bank's receivables due from the Client unpaid within the time limit specified in the Agreement.
<b>Payment of Liabilities</b>	Payment by the Bank, with the consent and upon request of the Debtor, of a liability to the Supplier at the invoice payment date, along with the extension of the repayment time limit for the Debtor by the period agreed upon by the Bank and the Debtor.
<b>Order</b>	Every order: 1/ prepared and signed by the Client, 2/ concerning a Guarantee, a Letter of Credit or the provision or activation of another Product, excluding Loans specified in Chapter 5 item 2, 3/ submitted at the Bank by the Client via mCN or in writing on the applicable form.
<b>Payment Order</b>	Every order to disburse or repay the Loan specified in Chapter 5 item 2 placed by the Client.
<b>Applicant</b>	The Client on whose request the Bank provides a Guarantee or opens a Letter of Credit.

The verbs used in the Regulations in plural form, such as "we determine", "we select" or "we change", mean measures taken by the Bank.

## Chapter 2 General provisions

1. These Regulations set out the terms and conditions of providing and handling Loans, trade finance products and multi-product financing offered to businesses by the Bank.
2. The Regulations together with the Agreement establish a legal relationship between the Client and the Bank.
3. The Regulations are available on the Portal.

## Chapter 3 Electronic banking

1. The Products covered by the Regulations may be handled via mCN and mBank InvoiceNet ("Systems") within the scope agreed in separate agreements with the Client.
2. Orders, Payment Orders and instructions submitted via the Systems create the same legal effects as the relevant declarations of the Client submitted in writing.
3. At the Bank's request, the Client is obliged to present the original copies of documents and declarations delivered to the Bank via the Systems.
4. For products described in Chapter 5 handled via mCN, the Bank enables the Client to check a counterparty's account indicated in a Payment Order against the Whitelist, subject to item 8. The Bank provides the Client with a flat file of the Ministry of Finance containing the list of VAT payers. For an account to be checked, the Payment Order must contain the counterparty's tax identification number (NIP) and bank account number. The check is performed on the execution day of the Payment Order.
5. If the Client placed a Payment Order via mCN with a tag denoting a request to check the counterparty's account against the Whitelist, the Bank will execute it when:
  - 1/ all accounts provided in the Payment Order are present on the Whitelist, and
  - 2/ there is a match with the counterparties' NIPs provided in the Payment Order.If the counterparty's account is not on the Whitelist, the Bank will reject the transfer. If the NIP entered in the transfer form is different from the NIP registered along with the account with the Tax Office, the Bank will reject the transfer even if the account is on the Whitelist.
6. If the Client wants to execute a Payment Order that has been rejected due to the fact that the counterparty's account was not found on the Whitelist, the Client should submit the order again without the tag denoting a request to check the account against the Whitelist.
7. The Bank is not liable for:
  - 1/ the counterparty's account not being the Whitelist and for the Payment Order not being executed in accordance with item 5,
  - 2/ executing the Payment Order to an account not being on the Whitelist if the Client did not order the Bank to check this account against the Whitelist,
  - 3/ the NIP of the counterparty provided in the Payment Order being incorrect.
8. Transfer orders reducing the amount of the available overdraft facility are checked against the Whitelist in accordance with the Regulations "mBank S.A. Internet Customer Service System mBank CompanyNet".

## Chapter 4 Terms and conditions of product provision

1. The Bank makes the provision of a Product conditional upon:
  - 1/ the Client's creditworthiness understood as the ability to repay liabilities under the Agreement, including interest, commissions, fees and the Bank's costs relating to the Product, within the time limits specified in the Agreement, and
  - 2/ securing the Bank's receivables under the Product – if required by the Bank.
2. The Client's creditworthiness is assessed on the basis of documents, information and declarations each time specified by the Bank, which are necessary for such an assessment or required by law.
3. A positive outcome of the Client's creditworthiness assessment does not oblige the Bank to provide a Product.
4. The Bank may refuse to provide a Product, particularly if its provision would lead to a breach of:
  - 1/ the Regulations,
  - 2/ the applicable laws, including anti-money laundering and terrorism financing laws, in particular the Act of 1 March 2018 on Combating Money Laundering and Terrorism Financing,
  - 3/ the applicable laws or regulations of third countries regarding economic and financial sanctions and the sanctions policy in force at the Bank, as well as special restrictions applicable to particular countries (especially if the provision of the Product in USD might give rise to the Bank's liability towards an entity which is subject to sanctions imposed by the United States),
  - 4/ the Bank's applicable policy concerning goods and types of activities in the financing of which the Bank should not participate.
5. The costs of applying for a Product are not incurred by the Bank.
6. The Bank provides a Product under the Agreement signed by all the Parties.
7. The Bank may decide that it will provide a Product on the condition that the Client or the entity posting Collateral submits a declaration of submission to enforcement proceedings under Article 777 § 1 of the Code of Civil Procedure, with its content agreed with the Bank.
8. The Client is liable for the content of Orders and Payment Orders sent to the Bank and of any accompanying documents. In particular, the Client is liable for the accuracy and correctness of the data contained therein. Submission by the Client of an Order or a Payment Order, which in the Bank's opinion has been incorrectly prepared, does not give rise to the obligation to execute it. The Bank will not bear any consequences of incorrect preparation of Orders and Payment Orders.

## Chapter 5 Loans

1. The Client may earmark a Loan for the financing of current business activity, financing of investments or commercial transactions.
2. Under the Agreement and the Regulations, the Bank may grant, in particular, the following types of Loans:
  - 1/ overdraft facility,
  - 2/ working capital loan,
  - 3/ revolving loan,
  - 4/ investment loan,
  - 5/ mortgage loan and mortgage loan for any purpose.An overdraft facility may be granted to a single Client or a group of related entities (umbrella facility).
3. The Client may utilise a Loan by executing Payment Orders submitted to the Bank, including Payment Orders delivered via mCN. Payment Orders may be accompanied by other documents, in line with the Loan Agreement. Invoices (if provided for in the Loan Agreement) attached to a Payment Order should meet the requirements set forth in law and cannot be submitted after their due dates.

4. When an Order is executed in a currency other than the Loan currency, the Bank makes a currency conversion in accordance with the rules set out in the Regulations. The Bank will apply exchange rates from the Table of Exchange Rates of mBank S.A. prevailing on the Payment Order execution date.
5. The Bank executes a Payment Order immediately, not later than on the following Business Day after it checks the correctness and completeness of the Payment Order and the accompanying documents and after currency conversion, if applicable.
6. In the case of an overdraft facility, the Bank executes Payment Orders on the terms set out in the Bank Account Agreement.
7. The Bank executes a Payment Order concerning the release of funds under a Loan if all the following conditions are met:
  - 1/ the amount of the Payment Order does not exceed the available amount of the Loan,
  - 2/ the Payment Order complies with the purpose of the Loan specified in the Loan Agreement,
  - 3/ the Payment Order was signed (authorised) by the authorised persons,
  - 4/ the Payment Order includes the Loan Agreement reference number,
  - 5/ the conditions for the release of funds specified in the Loan Agreement have been met,
  - 6/ the Bank has not suspended the Borrower's right to further use of the Loan,
  - 7/ the Payment Order meets the conditions specified in Chapter 3 item 5.
8. If the Bank refuses to execute a Payment Order, it notifies the Borrower of the fact and provides a reason for it.
9. The amount of the Payment Order cannot exceed the available Loan amount. The available Loan amount is the difference between the Loan granted and the sum of debit balances in the current accounts participating in the Loan utilisation, converted to the Base Currency at the average exchange rate currently applicable at the Bank.
10. At the end of a Business Day on which the amount of the granted overdraft facility was exceeded, the Bank charges statutory interest specified in the Civil Code in the current accounts participating in the Loan utilisation on that day. The accounts are debited with the interest on the interest payment dates proportionally to the share of each such current account in the Loan utilisation.
11. The Loan interest rate set in the Agreement is a per annum rate. Interest is calculated daily on the amount of the Loan utilised.
12. Interest is calculated on the basis of the actual number of calendar days.
13. A year is defined as 360 days. Financing in PLN, GBP and JPY and overdraft facilities, for which a 365-day year is defined, are an exception to this rule.
14. The interest rate on a Loan is specified in the Agreement and is equal to a fixed interest rate or is the sum of a variable Base Rate and a margin. If the Base Rate is negative, it is assumed to be zero.
15. The Base Rate for a Drawdown, subject to item 15a, is the rate from the Quotation dated two Business Days prior to the Drawdown date and prior to the Base Rate update date, except for overdraft facilities and revolving loans for invoice financing. The overnight Base Rate for an overdraft facility is the rate from the Quotation valid as at the interest calculation date. The Base Rate for a revolving loan for invoice financing is the rate from the Quotation dated two Business Days prior to the Base Rate update date.
- 15a. The Base Rate for an Interest Period based on an ON RFR is determined by compounding ON RFRs over the Interest Period, except for overdraft facilities and revolving loans for invoice financing. The rates used to compound ON Rates are sourced from the Quotation using the Lag provided for in the Agreement. The calculation of interest on Loans and discounted products referencing compounded ON RFRs is presented in Appendix No. 2 to the Regulations. The ON RFR Base Rate for overdraft facilities and revolving loans for invoice financing is sourced from the Quotation valid as at the business day preceding the interest calculation day.
16. Subject to item 16a, the Base Rate is updated on the interest payment date, except for overdraft facilities and revolving loans for invoice financing. If a business day for a currency falls on a non-business day for the Bank, the Base Rate is updated on the business day for the currency. The ON Base Rate for overdraft facilities is updated on each Business Day. The Base Rate for revolving loans for invoice financing is updated on the last day of every month. If this day falls on a non-business day, the Base Rate is updated on the next Business Day following the non-business day.
- 16a. The Base Rate based on an ON RFR for an Interest Period is updated on every Business Day in the Interest Period. If a business day for a currency falls on a non-business day for the Bank, the Base Rate is updated on the business day for the currency.
17. Interest is payable on the dates specified in the Agreement and on the final repayment date for a single Drawdown, except for overdraft facilities and revolving loans for invoice financing. Interest on overdraft facilities and revolving loans for invoice financing is payable on the last Business Day of a calendar month and on the final repayment date of the Loan.
18. If the payment date of receivables under the Agreement (including interest and principal instalments) falls on a non-business day for the Bank or for the Loan currency, the Bank makes the payment with a value date of the first Business Day following such a non-business day, provided that it falls in the same month. Otherwise, the Bank makes the payment on the last Business Day in the same month.
19. The Bank notifies the Borrower of the Base Rate on the Portal or via mCN. The Bank publishes information on Benchmarks, construction of Benchmarks and Benchmark Administrators on the Portal.
20. The Borrower must notify the Bank's debtors securing the collateral under the Loan Agreement of the change in interest rates.
21. The Bank and the Borrower may conclude transactions to hedge against the risk of volatility in interest rates and exchange rates.

## Chapter 6 Trade finance and service

### A. Guarantees

1. A Guarantee secures the performance of certain obligations of the Applicant. It represents an irrevocable obligation of the Bank to pay a specific amount on the basis of a properly submitted request of the Beneficiary after all terms and conditions set out in the Guarantee have been met by the Beneficiary.
2. The Bank's obligation under a Guarantee is independent of the validity and legal effects of the agreement in connection with which the Guarantee was granted, concluded between the Applicant and the Beneficiary and of the legal relationship between them.
3. A Guarantee is issued at the request of the Applicant expressed by submitting an Order to the Bank together with documents indicating the obligation whose performance is to be secured by the Guarantee. The Bank reserves the right to refuse to grant a Guarantee without stating a reason.
4. The Applicant is liable for the compliance of data provided in the Order with contracts, orders, trade agreements or other documents confirming the existence of receivables to be secured by the Guarantee.
5. The granting of a Guarantee is conditional, in particular, on the Applicant and the Bank agreeing on its content. This condition is deemed fulfilled:
  - 1/ after the Bank confirms its readiness to grant a Guarantee on a template provided by the Applicant, or
  - 2/ if an Order contains an instruction to grant a Guarantee on the standard template used by the Bank for a particular type of Guarantees.
6. The Bank immediately notifies the Applicant of the receipt of the Beneficiary's request for payment under a Guarantee.
7. The Bank does not examine the facts presented in the documents submitted by the Beneficiary. The Bank only verifies whether the documents comply with the terms and conditions of the Guarantee. The Bank is not liable for the authenticity or legal effects of these documents.

8. The Bank makes a payment under the Guarantee at the Beneficiary's request, regardless of the validity and legal effects of any agreements between the Applicant and the Beneficiary, once the Beneficiary has met the terms and conditions set out in the Guarantee, in particular once the documents required under the Guarantee have been submitted.
9. The Bank's opinion on the compliance of the Beneficiary's request with the terms and conditions of the Guarantee is conclusive. In the absence of manifest errors, the Bank's opinion is binding on the Applicant.
10. The Bank debits the Account of the Applicant with the amount paid in the currency of the Guarantee or the equivalent of this amount in another convertible currency or in PLN, in accordance with the rules laid down in these Regulations.

## B. Letters of credit

1. A Letter of Credit is a conditional form of payment, based on the Bank's obligation to pay a specific amount to the Beneficiary for documents meeting the terms and conditions set out in the Letter of Credit, once the Beneficiary has fulfilled all the terms and conditions set out in the Letter of Credit.
2. The Bank opens a Letter of Credit acting in line with:
  - 1/ the Order submitted by a Client, and
  - 2/ provisions of UCP 600 issued by the International Chamber of Commerce with its registered office in Paris (Uniform Customs and Practice for Documentary Credits).
3. The Applicant is liable for the compliance of data provided in the Order with contracts, orders or trade agreements confirming the conclusion of the transaction for which the Bank is to open a Letter of Credit.
4. When opening a Letter of Credit, the Bank requests an intermediary bank to advise or confirm the Letter of Credit, in accordance with the Order. If the intermediary bank refuses to do the aforesaid, the Bank notifies the Applicant of this fact and awaits their instructions.
5. The Bank reserves the right to select the bank to which it will address the Letter of Credit if it cannot advise the Letter of Credit through the bank indicated by the Applicant.
6. The Bank notifies the Applicant of the fulfilment of the terms and conditions set out in the Letter of Credit entitling the Beneficiary to receive the payment and of the date on which the payment will be made under the Letter of Credit.
7. The Bank makes the payment regardless of the validity and legal effects of any agreements concluded between the Applicant and the Beneficiary. The Bank makes the payment exclusively on the basis of documents meeting the terms and conditions set out in the Letter of Credit or at the request of the intermediary bank. The Bank also pays the fees and commissions due to the intermediary bank. The Bank does not examine facts presented in the documents submitted for the Letter of Credit. The Bank is not liable for the authenticity or legal effects of any of these documents.
8. The Bank's opinion on the compliance of the received documents with the terms and conditions set out in the Letter of Credit is conclusive. In the absence of manifest errors, the Bank's opinion is binding on the Applicant.
9. If the documents presented to the Bank are inconsistent with the terms and conditions of the Letter of Credit, the Bank notifies the Applicant of this fact. In the notification the Bank indicates the inconsistencies. The Bank may pay for documents that are not compliant with the terms and conditions set out in the Letter of Credit:
  - 1/ if the Applicant accepts the inconsistencies, and
  - 2/ on the basis of an instruction submitted by the Applicant in the form stipulated by the Bank.

## C. Trade receivables discounting

1. The Bank purchases Trade Receivables from the Client up to a revolving or non-revolving Limit granted in PLN and in convertible currencies. In doing so, the Bank complies with the terms and conditions laid down in the Agreement.
2. The Bank may purchase Trade Receivables:
  - 1/ without recourse to the Client, i.e. when the risk of the Debtor's insolvency is borne by the Bank,
  - 2/ with recourse to the Client, i.e. when the risk of the Debtor's insolvency is borne by the Client.
3. The Bank provides the electronic version of Trade Receivables Discounting, which allows the Client to present Trade Receivables to the Debtor via mBank InvoiceNet. This requires the Client and the Debtor to sign the Agreement on the Provision of Financial Services via mBank InvoiceNet.
4. The Bank purchases Trade Receivables which satisfy all of the following conditions jointly:
  - 1/ their existence, amount and payment date are undisputed,
  - 2/ they have been effectively assigned to the Bank,
  - 3/ they are denominated in the Limit currency specified in the Agreement,
  - 4/ they are due exclusively to the Client and are free from any legal defects or restrictions preventing the Client from disposing of them,
  - 5/ they are not and will not be subject to set-off against the Debtor's claims toward the Client and the Client's claims toward the Bank that exist or may arise during the term of the Agreement,
  - 6/ they arise from reasons approved by the Bank and defined in the Agreement,
  - 7/ they are not time-barred and no time limits have passed precluding their recovery,
  - 8/ they are not encumbered with any rights to the benefit of third parties, in particular with the right of pledge,
  - 9/ they have not been subject to restructuring proceedings or seized in proceedings to enforce or secure claims instigated against the Client,
  - 10/ they are not encumbered with any public law levies,
  - 11/ have not been and are not being disposed of either in part or in whole.
5. The Bank purchases Trade Receivables which satisfy the requirements set forth in the Agreement provided that:
  - 1/ there are no premises for the Debtor's insolvency or other circumstances preventing the Bank from collecting the purchased trade receivables. When entering into a Discount Agreement, the Client represents and accepts responsibility for the fact that the Debtor is solvent at the time of entering into the Agreement,
  - 2/ The Debtor is not entitled to raise against the Client a defence of debt novation, debt release or failure to render or defective rendering of a counter-performance by the Client to justify the Debtor's refusal to pay,
  - 3/ no delays occur in the repayment of amounts due from the Debtor to the Bank in respect of receivables previously purchased by the Bank from the Client.
6. When submitting Trade Receivables for purchase to the Bank, the Client confirms that the conditions referred to in item 4 have been fulfilled.
7. The Bank is entitled to:
  - 1/ refuse to purchase a Trade Receivable if:
    - a/ the Client has breached the terms and conditions of the Agreement,
    - b/ the available amount of the Limit set in the Agreement is insufficient,
    - c/ the maximum payment date of the Trade Receivable is inconsistent with the Agreement,
    - d/ the Supplier is on the list of entities subject to economic and trade sanctions,
  - 2/ verify the Trade Receivables previously purchased by the Bank from the Client and receivables submitted for discounting but not yet purchased against the requirements set forth in the Regulations and the Agreement,

- 3/ refrain from the purchase of Trade Receivables in the event of doubts as to the satisfaction of the conditions referred to in item 4,
  - 4/ set off the amounts of the Client's due and payable liabilities to the Bank against the amount due to the Client for the purchase of the Trade Receivable by the Bank.
8. The Client undertakes to:
- 1/ notify the Bank if the agreement between the Client and the Debtor imposes an obligation to obtain the Debtor's consent to the assignment of receivables,
  - 2/ provide, at the Bank's request, any original documents evidencing the Trade Receivables purchased by the Bank or submitted for purchase by the Client but not yet purchased,
  - 3/ provide the Bank with documents confirming the dispatch or collection of goods, performance of services or work.
9. Discount interest is calculated:
- 1/ for the actual number of calendar days during the discount period set forth in the Agreement and for Days of Grace. If the last day of the discount period extended to include the Days of Grace falls on a day that is not a Business Day, the Bank starts charging interest on the first Business Day following that day,
  - 2/ at the Base Rate specified in the Agreement plus margin; where the Base Rate is negative, it is assumed to be zero.
10. A year is defined as 360 days. Financing in PLN, GBP and JPY, for which a 365-day year is defined, is an exception to this rule.
11. The Base Rate for a discount period is the rate from the Quotation dated two Business Days before the first day of the discount period. The Bank notifies the Client of the Base Rate on the Portal.
- 11a. The Base Rate for an Interest Period based on an ON RFR appropriate for a discount period is calculated in accordance with Appendix No. 2 to the Regulations "Calculation of interest on Loans and discounted products using compounded ON RFRs". Information on the ON RFR (overnight risk-free rate) used to determine the amount of interest or other remuneration of the Bank is published on the website of the Benchmark Administrator to which a link is published on the Portal.
12. [repealed]

#### D. Bills of exchange discounting

1. The Bank accepts the Client's bills of exchange for discounting within the granted revolving or non-revolving line for Bills of Exchange Discounting on the terms and conditions set forth in the Agreement.
2. The Bank may discount bills of exchange:
  - 1/ without recourse to the Client, i.e. when the risk of refusal to pay a bill of exchange is borne by the Bank,
  - 2/ with recourse to the Client, i.e. when the risk of refusal to pay a bill of exchange is borne by the Client.
3. The Bank accepts bills of exchange for discounting only if they are issued in accordance with the requirements of the Bill of Exchange Act and meet the conditions set forth in the Regulations and the Agreement, in particular if they:
  - 1/ are free from any legal defects or restrictions preventing the Client from disposing of them. In particular, a bill of exchange must not contain any annotations in its wording or in the wording of the endorsement that limit the right to assign rights under the bill of exchange,
  - 2/ indicate a payment date which falls on a specified day,
  - 3/ are signed by the Debtor as the drawer / acceptor,
  - 4/ are endorsed (except for an endorsement for collection) with a "without protest" clause,
  - 5/ do not contain any annotations in their wording or in the wording of the endorsement that limit the right of endorsement,
  - 6/ do not contain any corrections or deletions,
  - 7/ are signed in a manner enabling explicit identification of the persons who signed a bill of exchange. This means that the signature on a bill of exchange must be handwritten, legible (it must enable identification of the first name and surname of the signatory) and must be permanent (e.g. made with a ballpoint pen).
4. Discount interest is calculated:
  - 1/ for the actual number of calendar days during the discount period set forth in the Agreement and for Days of Grace. If the last day of the discount period extended to include the Days of Grace falls on a day that is not a Business Day, the Bank starts charging interest on the first Business Day following that day,
  - 2/ at the fixed interest rate specified in the Agreement or at a variable Base Rate plus a margin. If the Base Rate is negative, it is assumed to be zero.
5. A year is defined as 360 days. Financing in PLN, GBP and JPY, for which a 365-day year is defined, is an exception to this rule.
6. The Base Rate for a discount period is the rate from the Quotation dated two Business Days before the first day of the discount period.
- 6a. The Base Rate for an Interest Period based on an ON RFR appropriate for a discount period is calculated in accordance with Appendix No. 2 to the Regulations "Calculation of Interest on Loans and Discounted Products Using Compounded ON RFRs".
7. The Bank notifies the Client of the Base Rate on the Portal. Information on the ON RFR (overnight risk-free rate) used to determine the amount of interest or other remuneration of the Bank is published on the website of the Benchmark Administrator to which a link is published on the Portal.

#### E. [repealed]

#### F. Loan for payment of liabilities

1. The Bank, on the basis of an Order, pays the Borrower's liabilities in PLN and in foreign currencies as part of the Loan granted to the Borrower, in accordance with the terms and conditions set forth in the Agreement.
2. The Client may utilise a Loan by way of Orders submitted in writing using the applicable form or via mBank InvoiceNet.
3. When an Order is executed in a currency other than the Loan currency, the Bank makes a currency conversion in accordance with the rules set out in the Agreement.
4. The Bank makes the electronic version of the Loan for Payment of Liabilities, which enables the presentation of invoices due for payment via the mBank InvoiceNet System, available upon signing of the agreement on the provision of financial services via the System by the Borrower.
5. The Bank executes an Order if the Borrower's liabilities are evidenced by Invoices which satisfy all of the following conditions jointly:
  - 1/ they arise from reasons approved by the Bank and defined in the Agreement,
  - 2/ they are evidenced by documents issued by the Suppliers indicated on the list attached to the Agreement,
  - 3/ they are accepted by the Borrower with regards to their currency, amount and payment date,
  - 4/ they are denominated in currencies defined in the Agreement.
6. When placing an Order, the Borrower confirms that it pertains to the repayment of liabilities satisfying the conditions referred to in item 5.
7. The Bank executes Orders:
  - 1/ in the order they were placed by the Borrower,
  - 2/ within the payment deadline as specified in the Agreement,
  - 3/ in the form of a foreign, domestic or internal transfer, as appropriate,



4/ following a transfer procedure specified by the Borrower.

If the payment date of a liability does not fall on a Business Day for the Bank and for the country of the payment currency, the Bank executes the Order on the first Business Day for the Bank and for the country of the payment currency.

8. The Bank and the Borrower assume that when executing an Order, the Bank, based on data entered by the Borrower in the Order:
  - 1/ does not check if the Supplier's account is included in the electronic register of entities maintained by the National Revenue Administration in accordance with the Goods and Services Tax Act of 11 March 2004 and is not subject to sanctions for payment to an account which is not included in the register. Each time, this obligation rests on the Borrower,
  - 2/ does not check if the payment for the liability evidenced by an invoice is obligatorily subject to the split payment mechanism and it does not bear any liability in this regard nor is it subject to sanctions provided for by the Goods and Services Tax Act of 11 March 2004. This obligation rests on the Borrower, being the payer for its liabilities towards Suppliers.
9. The Borrower is obliged to:
  - 1/ use the Loan solely to repay liabilities satisfying the conditions set forth in the Regulations and the Agreement,
  - 2/ agree with the Bank on the intention to change a Supplier, in particular in respect of the reason for liability, liability payment date and bank account number of the Supplier,
  - 3/ present the contents of trade agreements concluded with Suppliers to the Bank,
  - 4/ inform the Bank about any amendments to the terms and conditions of trade agreements concluded with Suppliers and to the terms and conditions of trade orders,
  - 5/ make available, at the Bank's request, any original documents evidencing the Borrower's liabilities paid by the Bank or submitted for payment by the Borrower via the mBank InvoiceNet System, but not yet paid by the Bank.
10. The Bank is authorised to verify the Borrower's liabilities paid or submitted for payment from funds from the Loan for compliance with the requirements set forth in the Regulations and the Agreement. In the case of Orders placed by the Borrower, but not executed by the Bank, the Bank suspends their execution until the verification is finished.

## Chapter 7 Multi-product financing

1. The Bank, on the principles set out in the Regulations and in the relevant Framework Agreement and Implementing Agreements, provides specific Products to the Client, up to the Limit amount.
2. The Framework Agreement sets out the conditions of the Client's utilisation of the Limit provided by the Bank in the form of:
  - 1/ Guarantee line,
  - 2/ Current business loan facility,
  - 3/ Multi-product line.A multi-product line may be granted to a single Client or a group of related entities (multi-product umbrella facility).
3. Within the Limit, the Bank determines maximum amounts (Product Sublimits) which may be allocated by the Client to specific Products under the Framework Agreement.
4. The Bank provides the Products covered by the Framework Agreement in the Base Currency and in other currencies specified in this Agreement.
5. The total amount of the Client's liabilities under the Implementing Agreements expressed in the Base Currency may not exceed the amount of the Limit set out in the Framework Agreement.
6. Each Product provided under an Implementing Agreement reduces the available amount of the Limit or the Product Sublimit.
7. Each total repayment of a Loan or expiry of the Client's liabilities under an Implementing Agreement taking place during the period of utilisation of the Limit increases the amount of the Limit or the Product Sublimit available for utilisation.
8. If the Limit or the Product Sublimit is exceeded as a result of a change in the exchange rates of the currencies in which the Products are recorded, the Bank, during the period of utilisation of the Limit, refuses:
  - 1/ to provide new Products and
  - 2/ to increase the amount or extend the validity date or the repayment date of active Products,until the amount of the Client's liabilities under the concluded Implementing Agreements decreases as a result of their settlement or repayment (in part or in full) or as a result of a change in the exchange rates of the currencies used for conversions.
9. If the Limit referred to above is exceeded as a result of Guarantees or Letters of Credit provided in a currency other than the Limit Base Currency, the Client is obliged to establish a security deposit for the benefit of the Bank. A security deposit amounting to the difference between the actual utilisation and the acceptable Limit amount is established by the Client within five Business Days from the date of receipt of a written notification that the Limit amount has been exceeded. A security deposit is established in the manner and on the terms and conditions specified by the Bank. A template of the security deposit agreement constitutes an appendix to the Framework Agreement.

## Chapter 8 Fees and commissions

1. Unless otherwise stipulated in the Agreement, for the provided Product the Bank collects fees and commissions set in the Tariff of Banking Fees and Commissions of mBank for SME and Corporates, published on the Portal.
2. The Bank amends the Tariff of Banking Fees and Commissions of mBank for SME and Corporates in line with the procedure specified in the Bank Account Agreement binding on the Parties. It does not require signing an annex to the Agreement.
3. The Bank's fees and commissions, commissions of intermediary banks, as well as any other charges and costs resulting from the provision and processing of the Products are collected by the Bank from the Client's Account within the time limits and on the principles set out in the Agreement and under the authorisation included therein.
4. Commissions on the unused amount or interest on the amount used in excess of the Limit or another Product to which such commissions or interest apply, determined on an annual basis, are charged by the Bank for the actual number of calendar days within the period of validity of the right to incur debt or to use the Limit. The Bank adopts the number of days in a year corresponding to the one used for the calculation of interest on Loans.
5. In order to determine the amount forming the basis for calculating commissions at the end of a Business Day, the Bank converts the amount of the liability under the Agreement denominated in a currency other than the Base Currency to the Base Currency. To do this, the Bank applies the average exchange rate of the given currency published by the National Bank of Poland on that day. Properly calculated and paid commissions are not recoverable, also if the Client does not use the Product made available by the Bank.
6. The Bank notifies the Borrower of the amount of the collected interest, commissions and fees in an Account statement. If the Bank does not maintain the Client's Account, it will notify the Client in writing of the amount of interest, commissions and fees due.
7. If during the term of the Agreement, in connection with its conclusion or performance, the Bank becomes obliged by any generally applicable legal regulation to establish, transfer or maintain any specific provisions, write-downs, special funds, deposits or to pay taxes, fees or any charges, including charges calculated on the basis of the value of the Bank's assets, which the Bank was not obliged to do at the time of concluding the Agreement, then the Bank is entitled to:

- 1/ change the level of the fees or commissions and the manner of their calculation in accordance with the changes implemented by such legal regulations,
  - 2/ set additional fees or commissions to the extent corresponding to the costs incurred by the Bank as a result of the implemented legal changes.
- Changes in the fees and commissions, or the manner of their calculation, or the set fees and commissions are binding from the date specified by the Bank, as of the effective date of the amended legal regulations. The Bank notifies the Client in writing of any change to the terms and conditions of the Agreement in the scope resulting from the reasons specified above.

## Chapter 9 Collateral

1. The Bank accepts Collaterals in the form of:
  - 1/ blank Bill of Exchange (including a bill with aval),
  - 2/ bank Guarantee,
  - 3/ surety,
  - 4/ contractual mortgage,
  - 5/ registered pledge,
  - 6/ financial pledge,
  - 7/ transfer of ownership of property,
  - 8/ freeze of funds in a bank account,
  - 9/ assignment of receivables or rights to the Bank,
  - 10/ cash security deposit,
 or other agreed with the Client.
2. A confirmation that the Bank's receivables have been secured is the Collateral Agreement concluded by the Bank with the Client or a third party or another document confirming that the Collateral has been posted.
3. If the Client establishes a real collateral on its assets or on the assets of a third party, the Client is obliged to insure such assets for the whole term of the Agreement and to assign receivables thereunder to the Bank.
4. All costs related to posting, insuring, changing or releasing the Collateral are borne by the Client.
5. The Client informs the Bank forthwith in writing if the value of an existing Collateral decreases. Upon notification by the Client or as a result of the Bank becoming aware of a decrease in the value of the Collateral, the Client secures the repayment of the Bank's receivables under the Agreement in another form accepted by the Bank.
6. If the Bank undertakes debt collection activities, the order and selection of the subject of enforcement will be at the discretion of the Bank.
7. The Client makes it possible for employees of the Bank or persons authorised by the Bank to inspect the Collateral or the place of doing business at any time. The Bank should notify the Client of a planned inspection three days in advance.

## Chapter 10 Repayment of receivables

1. The Client is obliged to repay the Bank's receivables, interest, commissions, fees and costs under the Agreements and the Collateral Agreements in a timely manner before any other payments, in the currency of the Product or an equivalent in another currency. The Client may repay the receivables before the date set out in the repayment schedule (from the date following the date of Drawdown disbursement), provided that the Client pays the fees set out in the Agreement and in the Tariff of Banking Fees and Commissions of mBank for SME and Corporates.
2. The date of repayment of the Client's liability is the day of debiting the Account or Accounts in accordance with the Agreement. In the absence of sufficient funds in the Accounts indicated in the Agreement, the date of repayment of the Client's liability is the date on which the funds are credited to the Bank's account.
3. The Bank converts the amount of the Client's liability at the rate from the Table of Foreign Exchange Rates of mBank S.A. applicable on the repayment date. When doing this, the Bank observes the following principles:
  - 1/ if the Account is held in PLN, and the liability is denominated in a foreign currency, the Bank debits the Account with the PLN equivalent of the liability. It uses the selling rate for the currency of the liability,
  - 2/ if the Account is held in a foreign currency and the liability is denominated in another foreign currency, the Bank calculates the PLN equivalent of the liability at the selling rate for the currency of the liability and debits the Account with the equivalent of the liability in the Account currency converted at the buying rate,
  - 3/ if the Account is held in a foreign currency and the liability is denominated in PLN, the Bank debits the Account with the equivalent of the liability in the Account currency converted at the buying rate for the Account currency.
4. The Client's liabilities arising from Agreements which have not been repaid by the due date specified therein or at the Bank's request become Overdue Debt or Forced Receivable on that date.
5. From the date of the occurrence of Overdue Debt or Forced Receivable until the date immediately preceding the actual repayment of the Bank's receivables, the Client pays interest in the amount of the maximum late payment interest as prescribed in the Civil Code. In the case of Overdue Debt on account of the Payment of Liabilities or Receivables Discounting, the Client pays interest in the amount of statutory late payment interest.
6. The Bank settles receivables under the Agreement in the following order:
  - 1/ costs, expenses and other official payments incurred by the Bank, which should be borne by the Client by virtue of law or in accordance with the Agreement,
  - 2/ fees and commissions due to the Bank,
  - 3/ statutory late payment interest on a Forced Receivable or Overdue Debt covered by a writ of execution,
  - 4/ contractual interest on a Forced Receivable or Overdue Debt,
  - 5/ standard contractual interest,
  - 6/ principal.
7. The repayment will not be considered by the Bank as the repayment reducing the debt if the amounts paid by the Client or another entity to the Bank under the Agreement are returned or if the payment is otherwise annulled as a result of a decision of a competent authority.
8. Should the financing granted by the Bank be repaid from a BGK guarantee disbursed in the currency other than the currency of the granted financing, the Bank will convert the repayment amount at the average exchange rate from the Table of Foreign Exchange Rates of mBank S.A. applicable on the date of the guarantee disbursement by BGK.
9. When outstanding liabilities are expressed in different currencies, the Bank, for the purpose of filling out the promissory note, has the right to convert the value of the liability which is not expressed in PLN into PLN according to the average exchange rate of the National Bank of Poland on the date on which such a liability became due.

## Chapter 11 Representations

By concluding the Agreement the Client represents that:

- 1/ it conducts and agrees to conduct its business activity in accordance with the applicable law, holds all required concessions, permits, licences, approvals of the competent authorities to conduct business activity or certificates of entry in the register of regulated activities and other documents within the term of the Agreement, if this obligation results from separate legal regulations,
- 2/ it is not a party to or a participant in any court, administrative, arbitration or any other proceedings that, when settled, could have an adverse impact on its assets and business activity, or that put or could put the timely repayment of the liabilities arising from the Agreement at risk. If such proceedings are pending, the Client submits the relevant written information in the form specified by the Bank,
- 3/ all documents delivered to the Bank have been and will be submitted on the Client's behalf, regardless of the form of the document and the manner of its delivery;
- 4/ The Agreement has been signed by persons fully authorised to do so and any representations and information submitted by the Client to the Bank in any form are true, complete and free of any omissions;
- 5/ the Agreement is fully consistent with the internal regulations of the Client's company, particularly with its founding documents and documents specifying the scope of its business activity,
- 6/ the Agreement is not contradictory to the permits, concessions, licences, approvals of competent bodies to conduct business activity, registrations and other legal provisions, as well as any agreements or other liabilities of the Client,
- 7/ the Client has read the information available on the Portal, describing the market risk, in particular the interest rate risk and the currency risk, which may affect the amount of the Client's debt and the Product service costs (it applies to mortgage-backed Products).

## Chapter 12 Obligations

By signing the Agreement, the Client undertakes:

- 1/ not to grant third parties authorisations to access the Accounts without written consent of the Bank (except for authorisations granted to employees of the Client or employees of companies linked to the Client, being members of the Client's capital group) and to obtain the Bank's prior consent in the case of assigning rights from the Account agreements or otherwise limiting the use of Accounts for the benefit of third parties,
- 2/ not to encumber the assets constituting the Collateral for the benefit of other creditors,
- 3/ not to change the core business operations without the Bank's consent,
- 4/ to notify the Bank of organisational and economic events (including ownership and capital changes, changes in management positions, initiated litigation and administrative proceedings, in particular enforcement proceedings) having a significant impact on the legal, financial or economic situation of the Client. The Bank reserves the right to assess whether the changes or events increase the risk of default on the liabilities arising from the Product,
- 5/ to notify the Bank of changes in its address or stamp, in the statistical number or in any other data registered in the IT system of the Bank,
- 6/ to provide explanations and present documents concerning the financial standing at each request of the Bank,
- 7/ to maintain continuity of insurance of the Client's assets against theft, fire and other perils,
- 8/ to keep the company's books and reports in an adequate manner and have its annual financial statements audited by an independent statutory auditor in accordance with the applicable law, if such an audit is required by the law,
- 9/ to deliver to the Bank:
  - a/ quarterly financial statements in the form of the balance sheet and profit or loss or, alternatively, the F-01 report submitted to the Statistics Poland (GUS) in the electronic version, without undue delay, upon its preparation in accordance with applicable laws. To the F-01 report, a confirmation of its submission to the Statistics Poland must be appended. If the Client is not obliged to prepare such a report, the Client should provide information on its performance in the form agreed with the Bank within 25 days from the last day of each financial quarter (in the case of companies listed on the Warsaw Stock Exchange (WSE), this obligation is deemed fulfilled by publishing a report on the Client's website), including additional information or explanations on the financial standing required by the Bank, The Bank prefers that reports be submitted in the XML format, however, other formats (PDF, hard copy) are admissible too,
  - b/ original copy of annual financial statements in the electronic form, with all the electronic signatures required in accordance with the Accounting Act, without undue delay upon its preparation, but not later than within 3 months from the balance sheet date and again after it is audited by a statutory auditor, including the auditor's report, if the audit is required by the applicable laws, immediately after the audit, but not later than within 6 months from the balance sheet date (in the case of companies listed on the WSE, this obligation is deemed fulfilled by publishing a report on the Client's website), including additional information or explanations on the financial standing as required by the Bank, The Bank prefers that statements be submitted in the XML format, however, the PDF format is admissible too,
  - c/ original copy of annual consolidated financial statements and the report on the corporate group operations, if their preparation is required, together with the opinion of a statutory auditor, in the electronic version and with all the electronic signatures required in accordance with the Accounting Act, without undue delay upon its approval, but not later than within 8 months from the balance sheet date (it applies to Clients belonging to a corporate group). The Bank prefers that statements be submitted in the XML format, however, the PDF format is admissible too,
  - d/ in each calendar quarter – information on derivative transactions concluded with other banks, including: the bank's name, type of transactions, volume, term, current valuation, collateral, limits applicable to derivative transactions at other banks, and to notify the Bank of the intent to conclude a derivative transaction with another bank – at the Bank's request,
  - e/ declaration on the amount of existing and planned debt with other banks and financial institutions, together with the repayment dates – at the Bank's request,
  - f/ certificate confirming that the Client is not in arrears with payments to the Social Insurance Institution (ZUS) and the Tax Office – at the Bank's request,
  - g/ other information and documents, which in the Bank's opinion will be necessary for the assessment of the current legal, economic and financial situation of the Client or its assets,
- 10/ to inform the Bank of any changes relating to its accounts with other banks,
- 11/ to grant the Bank access to its registered office for the purpose of assessing its financial standing, including access to accounting books and other business documents, in the case of well-founded concerns about the Client's ability to meet the obligations arising from the Agreement,
- 12/ to treat its liabilities to the Bank, arising from the Agreement, at least on equal terms (*pari passu*) with all other current and future liabilities due to financial indebtedness, except for those liabilities that must be satisfied on a preferential basis under the mandatory legal regulations,
- 13/ not to use the Loan to reduce its liabilities towards other banks on the last day of a month,

- 14/ to properly implement the provisions of other agreements concluded by the Client with the Bank and of agreements concluded by the Client with mBank Group subsidiaries,
- 15/ to inform the Bank without undue delay in writing of a balance sheet loss, initiation of the Client's liquidation or its insolvency (particularly filing a bankruptcy petition or a petition for restructuring or initiation of the Client's liquidation),
- 16/ to inform the Bank without undue delay of any events which may indicate that the Debtor under an agreement on the product referred to in Chapter 6 letter C and D may become unable to repay its liabilities, including the submission of a bankruptcy petition or petition for restructuring with a court, or initiation of the Debtor's liquidation,
- 17/ to provide, at the Bank's request, all materials and documents, together with relevant powers of attorney, which are necessary to receive the payment from the Debtor under an agreement on the product referred to in Chapter 6 letter C and D, or enable the initiation of enforcement proceedings against the Debtor, and in particular to provide the Bank with all documents confirming the ownership of the Receivables to be acquired by the Bank, as well as to endorse in blank any documents whose legal nature so allows,
- 18/ to send inquiries to the Bank and to enable the Bank or any entity from mBank Group to submit an offer, giving the Bank at least the same amount of information and time to prepare an offer as was given to other offerors, if the Client or a subsidiary of the Client's corporate group ("Group Company") intends to use:
  - a/ leasing or factoring services,
  - b/ documentary collection, documentary letters of credit, bank guarantees, receivables discounting, forfaiting and other trade finance transactions and programmes,
  - c/ services of an investment bank, of a brokerage bureau or a consultancy firm, including capital market transactions, issues of shares or bonds, mergers and acquisitions, attracting investors, sale of shares or ownership transformations within and outside the Group Companies.
- 19/ The Client undertakes to submit, at the Bank's request, documents that are necessary for the Bank to meet the obligations set forth in the Act of 1 March 2018 on Combating Money Laundering and Terrorism Financing, including obligations regarding due diligence measures, both when concluding the agreement and during its term.

## Chapter 13

### Events of default and their consequences

1. Each of the following events may be regarded by the Bank, in relation to the Client or the Debtor, as an Event of Default:
  - 1/ failure to comply with the Product (Limit) granting rules,
  - 2/ use of the Product in a manner inconsistent with its purpose,
  - 3/ deterioration in the economic and financial situation (in particular, failure to meet the ratios specified in the Agreement) or in the property status threatening timely repayment of the liabilities arising from the Agreement,
  - 4/ occurrence of any events having a significant impact on the legal, financial or economic situation which in the Bank's opinion may increase the risk of default on liabilities arising from the Agreement,
  - 5/ (repealed);
  - 5a/ filing for liquidation or opening of liquidation,
  - 6/ initiation of any court or administrative proceedings, the result of which could, in the Bank's opinion, threaten the Client's or to the Debtor's financial standing or existence,
  - 7/ initiation of any proceedings to secure claims or enforcement proceedings against the Client's or the Debtor's property,
  - 8/ significant decrease in the real value of the collateral as compared with the situation when the decision on granting the Product (the Limit) was taken,
  - 9/ failure to meet the time limits for repaying the liabilities arising from the Agreement,
  - 10/ breach of a provision of the Agreement or of any other agreement between the Client or the Debtor and the Bank or an mBank Group subsidiary,
  - 11/ emergence of any overdue/due and payable liabilities of the Client or the Debtor to other banks and financial institutions,
  - 12/ the Client was entered on the list published on the official website of the Polish Financial Supervision Authority (or its counterpart in another country), containing a public warning against dishonest entrepreneurs,
  - 13/ a situation arose where we could not duly perform the duties arising from the Act of 1 March 2018 on Combating Money Laundering and Terrorism Financing, i.e. we could not apply one of the due diligence measures specified in Article 34 (1) of the said Act,
  - 14/ a situation arose where the Bank could not duly perform its duties arising from the Act of 1 March 2018 on Combating Money Laundering and Terrorism Financing other than those specified in item 13,
  - 15/ a situation arose where the Client breached the provisions of the Act of 1 March 2018 on Combating Money Laundering and Terrorism Financing,
  - 16/ The Client did not provide documents or information which they are obliged to provide at the Bank's request.
2. If an Event of Default occurs, the Bank may withhold the Client's or the Debtor's right to further use the Product or, after notifying the Client or the Debtor in writing, undertake the following activities of its own choice and in preferred order, taking into account the nature of the Product:
  - 1/ demand additional collateral, including a blank promissory note, or demand that a restructuring programme be presented by a specific deadline and subsequently carried out by the Client or the Debtor, upon the Bank's approval,
  - 2/ withhold the activation of the Products under the Framework Agreement or reduce the amount of the granted Product (Limit) by the unused part of the entitlement, effective from the Business Day following the date of delivery of a written notification to the Client or the Debtor,
  - 3/ terminate the Agreement in whole or in part, subject to the mandatory provisions of the law,
  - 4/ deduct its receivable, including a receivable that is not yet due and payable, under the Product against the Client's or the Debtor's receivable arising from each Bank Account Agreement concerning a bank account maintained by the Bank for the benefit of the Client or the Debtor,
  - 5/ undertake other activities provided for in the Agreement or in generally applicable legal regulations.
- 2'. Where any of the Events of Default described in items 12–16 (1) occurs, the Bank takes measures referred to in item 2 (2) and (3).
3. If the Bank withholds the right to use the Product (Limit) or reduces its amount, the Client or the Debtor is not entitled to submit Orders or Payment Orders, except for Orders concerning the repayment of liabilities under the Products. The Bank assesses the situation and notifies the Client or the Debtor without undue delay of the terms and conditions of providing further access to the Product (Limit).
4. If the Bank terminates the Agreement, the Client or the Debtor ultimately loses the right to submit Orders or Payment Orders, except for Orders concerning the repayment of liabilities under the Products.
5. The termination notice period of the Agreement is 30 days, and in the case of impending bankruptcy of the Client – 7 days.
6. The Client is obliged to repay the liabilities arising from the Agreement on the last day of the termination notice period at the latest.
7. Termination of the Framework Agreement has no impact on the validity of the Client's or the Debtor's liabilities towards the Bank arising from the granted Guarantees and Letters of Credit.
8. The Bank may withhold the Client's or the Debtor's right to further use the Product, in particular when it finds that the Client or the Debtor:

- 1/ has submitted false documents or has presented false data as the basis for granting the Product (or Limit) and repayment of the Client's or the Debtor's liabilities, or
- 2/ has submitted untrue declarations regarding the legal collateral for the repayment of the liabilities arising from the Product.

## Chapter 14 Final provisions

1. Declarations and obligations of the Client are deemed confirmed on the date of signing the Agreement by the Client. The date of signing this Agreement in electronic form is the date of placing the last qualified electronic signature required for correct representation of the Bank on the Agreement.
2. In the case of discrepancies between the provisions of the Agreement and the Regulations, the provisions of the Agreement prevail. In the case when the Agreement is signed in Polish and in another language version, the provisions of the Polish language version prevail and are binding on the Parties in case of any contradictions.
3. If the Bank does not demand the performance of any provision of the Agreement, this does not mean that the Bank waives any of its rights arising from that provision or any other provisions of the Agreement.
4. If any provisions of the Agreement or of the agreements attached thereto become invalid, the remaining provisions continue to be binding on the Parties.
5. Any declarations and notices exchanged between the Bank and the Client in connection with the Agreement in writing are sent to the addresses of the Parties indicated in the Agreement.
6. The delivery date of a written notice is also the date of the first advice note on an undelivered registered letter sent to the last address of the Client known to the Bank.
7. The Client should provide the Bank with a request for amending the Agreement, including for prolonging the Agreement, not later than 30 days prior to the intended effective date of the amendment.
8. The payment services provided under the Agreement are governed by the relevant provisions of the ZURB Regulations or the Regulations on Bank Accounts. In the case of Clients not holding an Account with the Bank, the payment services provided under the Agreement are governed by the provisions of the Agreement.
9. The Client must log in to mCN at least once a week to stay informed of any declarations of intent and knowledge, electronic invoices and notices issued by the Bank. The mCN correspondence is deemed delivered seven days after it was uploaded to the system.
10. The procedure to be followed when the Benchmark referenced in the Agreement:
  - 1/ is not published,
  - 2/ ceases to be published,
  - 3/ cannot be applied,
  - 4/ changes,is set forth in Appendix 1 to the Regulations, which constitutes an integral part thereof. Appendix No. 1 applies to all Products, including the Products granted before its introduction.

## Chapter 15 Complaints

1. The Client's complaints about the services provided by the Bank under the Agreement are resolved by the Bank in accordance with the procedure and principles set out in the ZURB Regulations or the Regulations on Bank Accounts, respectively.
2. Complaints of Clients not holding Accounts with the Bank are resolved in accordance with the procedure and principles set out in the Agreement.

## Chapter 16 Governing law and jurisdiction

1. The legal effects of the concluded Agreements and the provided Products are assessed in accordance with the law of the Republic of Poland.
2. The court competent for settlement of disputes arising in connection with the conclusion and performance of the Agreements is the common court having jurisdiction over the registered office of the Bank or over the Bank's organisational unit indicated in the Agreement.

## Chapter 17 Amendments to the regulations

1. The Bank has the right to introduce amendments to the Regulations within the term of the Agreement.
2. The Bank notifies the Client of any amendments to the Regulations by announcing and publishing the amended text on the Portal along with the effective date of the amendments.
3. The Bank sends a message to the Client via mCN informing it about amendments to the Regulations and their effective date. The date of delivery of the amended Regulations to the Client is the eighth day after publishing the message in mCN.
4. The Client may submit a written statement of non-approval of the amendment within 14 days of the date of delivery of the amended Regulations. A failure to submit such a statement within the above-mentioned time limit is deemed to constitute the Client's approval of the amended Regulations.
5. If the Client submits the statement referred to in item 4, the Client and the Bank are bound by the provisions of the Regulations in the previous wording with regard to the Agreements concluded before the effective date of the amended Regulations.
6. The Regulations enter into force on 10 January 2025.