

Conditions of Registered Security over Movables

Effective as of 28 May 2018

1. GENERAL PROVISIONS

- 1.1 These Conditions of Registered Security over Movables constitute an inseparable part of the Service Agreement tied to an agreement for the establishment of a registered security over movables. In the event of controversies between the Conditions of Registered Security over Movables and the Service Agreement, the Service Agreement applies. In the event of controversies between the Conditions of Registered Security over Movables and the Service Conditions or General Conditions, the Conditions of Registered Security over Movables apply.
- 1.2 We have the right to unilaterally amend the Conditions of Registered Security over Movables on the grounds and in accordance with the procedure set out in the General Conditions.

2. DEFINITIONS

Registered Security over Movables means an entry in a respective state register that grants Us the right to satisfy claims secured by the Registered Security over Movables on the account of the object of the Registered Security over Movables if You fail to perform Your obligations agreed in the Service Agreement correctly.

Agreement for the Establishment of a Registered Security over Movables means an agreement entered into between Us and You for encumbering Your Vehicle with a Registered Security over Movables in a respective state register for Our benefit in order to secure a claim arising from the Service Agreement;

Vehicle (Object of the Registered Security over Movables) means a motor vehicle that has been entered in a respective state register and that You have acquired for the Loan received on the basis of the Service Agreement;

Monetary Amount of the Registered Security over Movables means the amount specified in a respective state register to the extent of which the claims arising from the Service Agreement have been secured with the Registered Security over Movables.

Conditions of Registered Security over Movables means these conditions of Registered Security over Movables.

Other capitalised terms have the meaning given to them in the Service Agreement, Service Conditions and General Conditions.

3. Object of Registered Security over Movables and claims secured

- 3.1 The object of the Registered Security over Movables is the Vehicle acquired by You for the Loan disbursed on the basis of the Service Agreement.

- 3.2 The Agreement for the Establishment of a Registered Security over Movables is entered into between Us and You upon entry into the Service Agreement. Entry into the Agreement for the Establishment of a Registered Security over Movables is a prerequisite for entry into the Service Agreement in the case of a loan product that requires the establishment of a Registered Security over Movables.
- 3.3 Upon entry into the Agreement for the Establishment of a Registered Security over Movables, You agree to the establishment, for Our benefit, of a Registered Security over Movables in respect of the Vehicle acquired for the Loan disbursed on the basis of the Service Agreement and authorise Us to file with a respective state register, on behalf of You, a petition for the registration, amendment and deletion of a Registered Security over Movables along with additional documents necessary to this end.
- 3.4 The Monetary Amount of the Registered Security over Movables is equal to the amount of Your Loan set out in the Service Agreement.
- 3.5 The Registered Security over Movables established on the basis of the Agreement for the Establishment of a Registered Security over Movables secures all Our claims arising from the Service Agreement entered into between Us and You for financing the purchase of the Vehicle as well as all the collateral claims related to Our claim and arising from the Service Agreement, including interest, contractual penalty and expenses related to the performance of the Service Agreement as well as the expenses related to the sale of the Vehicle.
- 3.6 The Registered Security over Movables is valid in respect of the Vehicle and also secures Our claims when the conditions of the Service Agreement are amended or modified. This also covers such amendments that increase the amount of loan or extend, upon agreement, the term of performance of Your obligations, except upon formalising the residual cost into an unsecured loan. The Registered Security over Movables also secures the claims, including contingent and future claims, arising from potential annexes and/or amendments to the Service Agreement.

4. CREATION, AMENDMENT AND TERMINATION OF REGISTERED SECURITY OVER MOVABLES

- 4.1 A Registered Security over Movables arises in respect of the Vehicle upon making an entry of the Registered Security over Movables in the Traffic Register. We will file a petition for the establishment of a Registered Security over Movables along with an Agreement for the Establishment of a Registered Security over Movables to a respective register as soon as possible after We have received copies of the documents requested in the Service Agreement and they are in compliance with the requirements specified in the Conditions of Registered Security over Movables.
- 4.2 Upon entry into an Agreement for the Establishment of a Registered Security over Movables in the Service Agreement, You grant Us Your consent for the establishment of a Registered Security over Movables in respect of the Vehicle and authorisation for filing a petition for the Registered Security over Movables (registration, amendment, deletion) to a respective register along with the Agreement for the Establishment of a Registered Security over Movables.
- 4.3 Our prior consent is required for amending and deleting, during the term of the Service Agreement, a Registered Security over Movables established on the Vehicle.
- 4.4 The Registered Security over Movables will extinguish upon the deletion of the entry from the register. We will file a petition for the deletion of the Registered Security over Movables to a respective register within 14 (fourteen) days after You have performed the obligations arising from the Service Agreement unless otherwise agreed between Us and You. The obligations arising from the Service Agreement are deemed to be performed after the Loan and all of the payments arising from the Service Agreement have been repaid to Us in full.

5. YOUR RIGHTS AND OBLIGATIONS

- 5.1 The establishment of a Registered Security over Movables will not restrict Your right to use the Vehicle and You will remain the owner of the Vehicle. You are subject to all the rights and obligations arising from the possession of the Vehicle.

- 5.2 Before acquiring the Vehicle, You have the obligation to make sure that a) the Vehicle has been entered in a respective state register in Estonia; b) no notations concerning a prohibition on disposal or no registered security over movables have been established on the Vehicle for the benefit of a Third Party; c) You do not have any agreement with any Third Party for the simultaneous establishment of a registered security over movables in respect of the Vehicle; and d) no other obstacles caused by Your act or omission exist to the establishment of a Registered Security over Movables for Our benefit.
- 5.3 The acquisition of the Vehicle by You must take place in compliance with the legislation in force and, before buying the Vehicle, You must make sure that, to the best of Your knowledge, no disputes are pending over the right of ownership of the Vehicle and no Third Parties have any rights to the Vehicle.
- 5.4 You have the obligation to file a proper application for the amendment of registry data with a respective register within 7 (seven) days of the date of disbursement of the Loan by Us, as a result of which You will be entered in a respective register as the owner of the Vehicle. Immediately after making an entry of the owner, You must submit a copy of the Vehicle registration certificate to Us.
- 5.5 You must submit to Us, on time, the copy of the registration certificate specified in the Service Agreement and concerning the Vehicle that You have acquired for the Loan that We have disbursed to You on the basis of the Service Agreement. If You acquire, for the Loan that We have disbursed to You on the basis of the Service Agreement, a Vehicle in respect of which You initially did not file with Us a Request for the receipt of the Loan, You also have the obligation to submit to Us, along with the copy of the registration certificate, a copy of the Vehicle sales contract.
- 5.6 The documents to be submitted to Us and the manner of submission thereof must be in compliance with the requirements specified in these conditions and the General Conditions and must have been sent to Our Telecommunications Details. The Vehicle registration certificate must have been sent to Us so that both sides of the document are clearly legible.
- 5.7 You have the right to transfer the Vehicle during the term of the Service Agreement.
- 5.8 You must immediately notify Us in a format that can be reproduced in writing of destruction or theft of the Vehicle, occurrence of a traffic accident, intention to transfer or another situation that may affect the exercise of Our right of security in respect of the Vehicle.

6. OUR RIGHTS AND OBLIGATIONS

- 6.1 Encumbering the Vehicle with a Registered Security over Movables grants Us the right to satisfy claims secured by the Registered Security over Movables and arising from the Service Agreement on the account of the Vehicle if You fail to perform the claims arising from the Service Agreement correctly. Enforcement of the claims secured by the Registered Security over Movables and arising from the Service Agreement will take place by way of compulsory auction of the Vehicle in enforcement proceedings.
- 6.2 We have the right to assign the claims that We have against You under the Service Agreement along with the right of security established on the Vehicle. We will inform You about the assignment of the claim and transfer of the right of security to a new creditor in accordance with the legislation in force.
- 6.3 We have the right not to file a petition for the registration of a Registered Security over Movables with a register and/or demand that You submit the documents again if they are not in compliance with the requirements specified in clause 5.5 of the Conditions of Registered Security over Movables or in the General Conditions and make additional lawful inquiries, on Our own and if necessary, to a respective state register for checking the data. If You do not submit the requested documents or they are not in compliance with the requirements upon the second submission either, We have the right to exercise the right specified in clause 6.1.
- 6.4 State fee for the registration, amendment and deletion of the Registered Security over Movables in respect of the Vehicle will be paid by Us.

7. OTHER CONDITIONS

- 7.1 We have the right to disclose information regarding the Agreement for the Establishment of a Registered Security over Movables and regarding You to Third Parties for the performance of the Service Agreement and/or if the respective right and/or obligation arise(s) from legislation or the Conditions.