

# Terms and Conditions of Registered Pledge

Inbank Finance AS

effective as of 01.07.2021

If You enter into a service contract with Us, which includes an agreement for establishment of a registered pledge, the terms and conditions of the registered pledge will also apply to the service contract.

## 1. DEFINITIONS

Registered Pledge	An entry in the relevant state register, which grants Us the right to satisfy the claims secured with the pledge on the account of the pledged object if You fail to perform the obligations agreed in the Service Contract appropriately.
Agreement for Establishment of Registered Pledge	The agreement made between Us and You for encumbering the Vehicle belonging to You with a Registered Pledge in favour of Inbank Finance AS in the relevant state register in order to guarantee a claim arising from the Service Contract.
Monetary Value of Registered Pledge	The amount specified in the respective state register to the extent of which the claims arising from the Service Contract are guaranteed with the pledge.
Vehicle (Pledged Object)	A motor vehicle entered in the relevant state register, which You have acquired for the Loan received on the basis of the Service Contract.

We Use the other terms with capital initials in the meaning defined in the General Terms and Conditions of Inbank AS, the Service Contract and the Service Terms and Conditions.

## 2. APPLICATION OF TERMS AND CONDITIONS OF REGISTERED PLEDGE

**2.1** The Terms and Conditions of Registered Pledge and the Agreement for Establishment of Registered Pledge are an inseparable part of the Service Contract. Should there be contradictions between the Terms and Conditions of Registered Pledge and the Service Contract, We will proceed from the Service Contract. Should there be contradictions between the Terms and Conditions of Registered Pledge and the Service Terms and Conditions or the General Terms and Conditions of Inbank AS, We will proceed from the Terms and Conditions of Registered Pledge.

**2.2** We have the right to amend the terms and conditions of the Registered Pledge unilaterally on the grounds and pursuant to the procedure set out in the General Terms and Conditions of Inbank AS.

## 3. OBJECT OF PLEDGE AND SECURED CLAIMS

**3.1** The pledged object is the Vehicle which You have acquired for the Loan paid out on the basis of the Service Contract.

**3.2** Entry into Agreement for Establishment of Registered Pledge upon entry into the Service Contract between Us and You. Entering into the Agreement for Establishment of Registered Pledge is a precondition for entry into the Service Contract in the case of a loan product in the case of which the establishment of a Registered Pledge is a condition. By entering into the Agreement for Establishment of Registered Pledge, You agree to establish a Registered Pledge in favour of Us on the Vehicle acquired for the Loan paid out on the basis of the Service Contract and authorise Us to submit the application and the necessary documents for registration, amendment and deletion of the Registered Pledge to the relevant state register on Your behalf.

**3.3** The monetary value of the Registered Pledge equals the Loan amount specified in Your Service Contract.

**3.4** The Registered Pledge established on the basis of the Agreement for Establishment of Registered Pledge secures all of Our claims which arise from the Service Contract entered into between Us and You for financing the purchase of the Vehicle. Said Registered Pledge also secures all of the collateral claims arising from the Service Contract and related to Our claim, including interest, contractual penalty and the costs related to the performance of the Service Contract as well as the costs related to the sale of the Vehicle.

**3.5** The Registered Pledge applies to the Vehicle and covers Our claims even if the terms and conditions of the Service Contract are amended. The Registered Pledge also covers Our claims in the case of amendments with which the Loan amount is increased or the deadline for the performance of Your obligations is extended, unless the residual value is changed into an unsecured loan. The pledge also covers the claims arising from the possible annexes and/or amendments to the Service Contract, including conditional and future claims.

## 4. EMERGENCE, AMENDMENT AND TERMINATION OF PLEDGE

**4.1** The pledge on the Vehicle emerges when the Registered Pledge is entered in the Traffic Register. We will submit an application for establishment of Registered Pledge to the relevant register with the Agreement for Establishment of Registered Pledge as soon as possible after We have received copies of the documents required in the Service Contract which correspond to the requirements specified in the terms and conditions of Registered Pledge.

**4.2** By entering into the Agreement for Establishment of Registered Pledge in the Service Contract, You grant Us Your consent for establishing a Registered Pledge on the Vehicle and an authorisation for submission of the Registered Pledge application (registration, amendment, deletion) to the relevant register with the Agreement for Establishment of Registered Pledge.

**4.3** The amendment and deletion of the Registered Pledge established on the Vehicle during the term of the Service Contract is subject to Our prior consent.

**4.4** The Registered Pledge expires with the deletion of the entry from the register. We will submit an application for deletion of the Registered Pledge to the relevant register within fourteen (14) days of the performance of the obligations arising from the Service Contract by You, unless We have agreed otherwise with You. The obligations arising from the Service Contract will be deemed performed after the Loan and all the payments arising from the Service Contract have been repaid to Us in full.

## 5. YOUR RIGHTS AND OBLIGATIONS

**5.1** The establishment of the Registered Pledge will not restrict Your right to Use the Vehicle and You are the owner of the Vehicle. All of the rights and obligations arising from possession of the Vehicle apply to You.



**5.2** Before the acquisition of the Vehicle, You must make sure that: (1) the Vehicle has been entered in the relevant Estonian state register; (2) no prohibition of disposal or registered pledge in favour of a Third Party has been established on the Vehicle; (3) You do not have an agreement with any Third Party for the establishment of a registered pledge on the Vehicle at the same time; and (4) there are no other obstacles to the establishment of the Registered Pledge in favour of Us caused by Your activity or inactivity.

**5.3** You are obliged to acquire the Vehicle in compliance with law. Before purchasing the Vehicle, You must (according to Your best knowledge) make sure that the right of ownership to the Vehicle is not subject to any disputes and that Third Parties have no rights to the Vehicle.

**5.4** You must submit the appropriate application for amendment of the register data to the relevant register within seven (7) days of the date the Loan was paid out, as a result of which You will be entered in the relevant register as the owner of the Vehicle. You must submit a copy of the registration certificate of the Vehicle to Us immediately after said entry is made in the register.

**5.5** You must submit the copy of the registration certificate specified in the Service Contract to Us in a timely manner and in respect of the Vehicle You have acquired for the Loan paid out by Us to You on the basis of the Service Contract. If You acquire a Vehicle for the Loan paid out by Us to You on the basis of the Service Contract in respect of which You did not submit to Us an initial Application for a Loan, You must also submit to Us a copy of the contract of sale of the Vehicle with the copy of the registration certificate.

**5.6** The documents to be submitted to Us and the manner of their submission must comply with the requirements specified in these terms and conditions and the General Terms and Conditions of Inbank AS. The documents must be sent to Our Contact Details. The registration certificate of the Vehicle must be submitted to Us in such a manner that both sides of the document are clearly legible.

**5.7** You have the right to sell the Vehicle during the term of the Service Contract. You must immediately inform Us in a format that can be reproduced in writing about the Vehicle's destruction, theft, involvement in an accident, disposal or any other situation that may have an impact on the exercise of Our right of pledge in respect of the Vehicle.

## **6. OUR RIGHTS AND OBLIGATIONS**

**6.1** Encumbering the Vehicle with the Registered Pledge gives Us the right to satisfy the claims arising from the Service Contract that are secured with the pledge on account of the Vehicle if You fail to perform the obligations arising from the Service Contract correctly. The claims arising from the Service Contract that are secured with the pledge will be collected by putting the Vehicle up at auction in enforcement proceedings.

**6.2** We have the right to waive the claims against You arising from the Service Contract with the right of pledge established on the Vehicle. We will inform You about the waiver of the claim and the transfer of the right of pledge to a new creditor according to effective legislation.

**6.3** We have the right to not submit the application for registration of the Registered Pledge to the register and/or demand that You submit the documents again if they do not comply with the requirements specified in clause 5.5 of the Terms and Conditions of Registered Pledge or the General Terms and Conditions of Inbank AS and send additional queries to the relevant state register for verification of data if necessary. If You do not submit the required documents or if they do not comply with

requirements again when submitted for the second time, We will have the right to exercise the right specified in clause 6.1.

**6.4** We will pay the state fee for registration, amendment and deletion of the Registered Pledge on the Vehicle.

## **7. OTHER TERMS AND CONDITIONS**

**7.1** We have the right to disclose information regarding the Registered Pledge Contract and You to Third Parties for the performance of the Service Contract and/or if the respective right and/or duty arise(s) from law or the General Terms and Conditions of Inbank AS of the Service Terms and Conditions.