



BNP PARIBAS

THE REGULATIONS FOR THE CREDIT SERVICES OF BNP

PARIBAS BANK POLSKA S.A.

FOR CORPORATE BANKING CUSTOMERS

(it applies to products and services as part of the activities taken over by BNP Paribas Bank Polska S.A. as a result of the division of the entity with the number KRS 14540)

dated 15 December 2021

These Regulations for the Credit Services for Entrepreneurs ("Regulations") have been issued by BNP Paribas Bank Polska S.A. with its seat in Warsaw on the basis of art. 109 par. 1 point 2 of the Banking Act of 29 August 1997 in connection with art. 384 of the Civil Code, and apply to credits, loans, and other risk-bearing products granted by the Bank for the purpose of engaging in business.

§ 1. DEFINITIONS AND INTERPRETATIONS

The terms utilized in these Regulations shall have the following definitions:

"Bank"	means BNP Paribas Bank Polska S.A. with its registered office in Warsaw;
"Date of Final Repayment"	means the day set forth in the Agreement as the final day for the total repayment of a Credit, or any other day as defined in § 13 or §14.2 (d) of the Regulations;
"Working Day"	means a day on which the Bank is open for the business covered by these Regulations;
"Date of Availability"	means the day on which, or as of which, depending on the situation, a Credit may be utilized by the Borrower;
"Date of Enforceability"	means the day after the day on which the Borrower is obliged under the terms of the Agreement to repay the amount of the Credit, or interest, or commissions, or any other amount due to the Bank;
"Dispositions"	means a payment order, Credit payment order, Credit Repayment Order, request (instruction) to open a Letter of Credit, request (instruction) to issue a Guarantee, and any other statement resulting in the use of the granted Credit;

„€STR“	means the Euro short-term rate benchmark, the Administrator of which is the European Central Bank (ECB) or another entity which assumes this role in the future;
“EURIBOR”	means the Benchmark - Euro Interbank Offered Rate, the Administrator of which is the European Money Market Institute (EMMI) or another entity which assumes this role in the future, for the period determined in the Agreement for the Variable Base Interest Rate. The index next to the name of the rate means the period to which it applies, for instance: 1M – one month, 3M – three months, 6M – six months, 1Y – one year. The EURIBOR rate is provided and published in accordance with the rules and on dates available on www.emmi-benchmarks.eu ;
“Derivative instrument”	means, option, futures contract, swap, FX forward agreement and other property right whose price depends directly or indirectly on the price or value of financial instrument, foreign currency, interest rates, yield, financial indices, financial ratios, commodities, climate change indices, freight rates, greenhouse gas emissions levels, inflation ratios or other official statistical data, and also other assets, rights, commitments, indices or ratios (underlying instruments);
“Credit”	means, in particular: an Overdraft, Revolving Credit, Non-revolving Credit or Liability Limit Agreement;
“Borrower”	means the Applicant to whom the Bank has granted a Credit and who signed an Agreement with the Bank;
“Non-revolving Credit”	means a Credit granted for a period set forth in the Agreement, with a fixed repayment schedule. Once the Credit has been utilized within its Period of Credit Utilization, there is no possibility of making use of the repaid portion of the Credit;
“Revolving Credit”	means a renewable Credit granted for a period set forth in the Agreement. Any payment of the outstanding debt increases the amount of available Credit funds by the amount of the repayment. Repayment of the debt may be made at any time. The Credit may be utilized many times within its Period of Credit Use;

“Overdraft”	means a renewable Credit granted for a period set forth in the Agreement, recorded in the Borrower’s current account and enabling him to debit its bank account up to the amount of the Credit. Each inflow of funds to the current Account reduces the amount of the Borrower’s debt under the Overdraft. The Credit may be utilized many times within its Period of Credit Use;
“Bank Rate”	means the currency buying or selling rate, as appropriate, effective at the Bank on the day on which the Bank performs the conversion;
“Cross Rate”	rate of conversion of one foreign currency into another foreign currency used by the Bank; the conversion is performed in such a manner so that the Bank exchanges the base foreign currency into Polish zloty at the buy rate used by it, and exchanges the obtained funds, at the sell rate used by it, into the target foreign currency;
“LIBOR”	means the Benchmark - London Interbank Offered Rate, the Administrator of which is the Intercontinental Exchange (ICE) SA or another entity which assumes this role in the future, for the currency and the period determined in the Agreement for the Variable Base Interest Rate. The index next to the name of the rate means the period to which it applies, for instance: 1M – one month, 3M – three months, 6M – six months, 1Y – one year. The LIBOR rate is provided and published in accordance with the rules and on dates available on www.theice.com ;
“Liability Limit”	means an Agreement whereby the Bank grants the Borrower one or more Credits and/or other Risk-Bearing Products, excluding the Non-revolving Credit;
“Independent expert appraiser”	means an appraiser who meets all of the following conditions: <ul style="list-style-type: none"> (i) he/she was not guided by the creditworthiness of the Borrower and it did not influence his/her decisions, (ii) he/she or his/her spouse or first-degree relatives were not involved in the credit process for which the valuation is prepared, (iii) he/she (or his/her spouse or first degree relatives) has no actual or potential conflict of interest in relation to the appraised asset, the appraisal process or the outcome of the appraisal, (iv) he/she or his/her spouse or first degree relatives have not directly or indirectly held an interest in the appraised asset,

(v) he/she or his/her spouse or first-degree relatives were not related to the purchaser or seller of the appraised asset,

“Period of Credit Utilization”

means the period of time between the Date of Availability or another date set forth in the Agreement, and the final date on which the Borrower may utilize the Credit set forth in the Agreement;

“Period of Validity of Reference Rate”

means the period in which a fixed reference rate applies. This period depends on the type of reference rate set forth in the Agreement on which the interest on the Credit is based;

“Period of Credit”

means the period beginning with the date on which the Agreement comes into force until the date of complete repayment of the Credit;

“Interest Period”

means the period set forth in the Agreement or Regulations in which interest is calculated on the amount of the Credit utilized and outstanding at a given moment in time;

“Declaration of Submission to Enforcement Procedure”

means submission to enforcement procedure by means of notarial deed under art. 777 of the Code of Civil Procedure, in accordance with the rules contained in a given Agreement;

“Tax”

means tax, stamp duty, social collateral contribution or other similar liability (including all penalties or interest payable for a failure to discharge the aforementioned payment obligations or for a delay in doing so);

“Electronic signature”

a qualified electronic signature (within the meaning of Article 3(12) of Regulation (EU) no. 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC, or other electronic signature acceptable for the Bank. The list of electronic signatures (including advanced) acceptable to the Bank is available at the Bank's units and on its website: www.bnpparibas.pl.

Credit Withdrawal / Repayment Order”

means an order by the Borrower according to the draft appended to individual credit agreements – except for an Overdraft – whose proper submission to a Bank is an irrevocable instruction to pay funds out of the amount of the Credit or repay the Credit;

“Banking Act”	means the Banking Act of 29 August 1997, together with the executive regulations thereto and any other legal instrument which amends or replaces it;
“Risk-Bearing Products”	means any service involving a credit risk, rendered by the Bank on the basis of these Regulations or separate regulations governing a product, general terms and conditions for a group of products, mandate, disposition, application or individual agreement for the provision of services connected with a specific product, within the limit of the Bank’s engagement agreed upon with a given Borrower, including: <ul style="list-style-type: none"> (i) Granting of Credits; (ii) Issuing of Guarantees; (iii) Issuing and confirming of Letters of Credit;
“Subject of Collateral”	means real estate, a property, or a right which has been encumbered as a collateral for the repayment of the Borrower’s liabilities towards the Bank under the terms of the Agreement;
“Sanction Regulations”	means any economic or trade sanctions, acts, regulations or preventive measures (including, to avoid any doubts, any sanctions or measures associated with any embargo, freezing of assets) adopted, administered, imposed or implemented by the United Nations or the European Union (or the French Republic or the Secretary to the Treasury of Great Britain), by the United States of America (including OFAC regulations) or another empowered institution;
“Conversion”	conversion of currencies performed by the Bank at the currency buy / sell rate in effect at the Bank at the moment of the conversion or in case of conversion of a foreign currency into another foreign currency at the cross rate; the Bank’s exchange rates are available at the Bank’s branches, on the Bank’s website, at the Bank’s call centre or are made available by the Bank in another manner; conversion may take place solely upon the Bank’s approval;
“Event of Default”	means any of the cases mentioned in §14 of these Regulations;
“Current Account”	means a Borrower’s account opened and held by the Bank on the basis of an agreement and under the terms of the Regulations for accounts and provision of other services to Corporate Customers and Small and Medium Enterprise Customers at BNP Paribas Bank Polska S.A. Current Account is, as well understood as each auxiliary account to Current Account, from which Banks receivables are repaid;

“Split Payment Account”	auxiliary account, exclusively intended for credit/loan disbursement and making payments from the disbursed amount in the split payment mechanism,
“SARON”	means the Swiss Average Rate Overnight, the Administrator of which is SIX Swiss Exchange or another entity which assumes this role in the future;
“RFR”	€STR, SONIA, SOFR or SARON;
“Compounded RFR Rate”	means the variable base interest rate calculated in accordance with Schedule 2 to the Regulations, based on the RFR specified in the Agreement;
“SONIA”	means the Sterling Over Night Index Average, the Administrator of which is Bank of England or another entity which assumes this role in the future;
“SOFR”	means the Secured Overnight Financing Rate, the Administrator of which is Federal Reserve Bank of New York or another entity which assumes this role in the future;
“Internet Banking System”	banking system made available by the Bank;
“Tranche”	means any amount paid out of the Credit to the Borrower under the provisions of the Regulations and Agreement;
“Table of Commissions and Fees”	means the Table of Commissions and Fees for Corporate Banking Customers in effect at the Bank, containing a list of commissions and fees charged by the Bank to Corporate Banking. The Table of Commissions and Fees replaces the current Table of Commissions and Fees (which occurred as a result of the change of the above Table), as stipulated in the Agreement;
“Term SOFR”	means CME Term SOFR Reference Rate, the Administrator of which is CME Group Benchmark Administration Limited or another entity which assumes this role in the future. The index next to the name of the rate means the period to which it applies, for instance: 1M – one month, 3M – three months, 6M – six months;
“Term SONIA ICE”	means The ICE Term SONIA Reference Rate, the Administrator of which is ICE Benchmark Administration Limited or another entity which assumes this role in the future. The index next to the name of the rate means the period to which it applies, for instance: 1M – one month, 3M – three months, 6M – six months, 12M – twelve months;

“Term SONIA Refinitiv”	means Refinitiv Term SONIA, the Administrator of which is Refinitiv Benchmark Services (UK) Limited (or another entity which assumes this role in the future). The index next to the name of the rate means the period to which it applies, for instance: 1M – one month, 3M – three months, 6M – six months, 12M – twelve months;
“Agreement”	means an Agreement on an Overdraft, Revolving Credit, Non-Revolving Credit, Liability Limit Agreement, or any Dispositions by the Borrower with respect to Risk-Bearing Products;
“Credit disbursement”	crediting of the Borrower’s account with the funds from the Credit or transfer by the Bank of funds from the Credit to an account indicated by the Borrower as well as other actions of similar nature causing the Bank to dispose of the funds or loss of control over them, as a result of the Borrower’s previous dispositions;
“Currency of Credit”	means the currency set forth in the Agreement or Disposition in which the Borrower’s individual liabilities are booked;
“Currency of Agreement”	means the currency set forth in the Agreement in which the upper limit of the Borrower’s possible liabilities under the provisions of the Agreement is expressed;
“WIBOR”	means the Benchmark - Warsaw Interbank Offered Rate, the Administrator of which is GPW Benchmark S.A. or another entity which assumes this role in the future, for the period determined in the Agreement for the Variable Base Interest Rate. The index next to the name of the rate means the period to which it applies, for instance: 1M – one month, 3M – three months, 6M – six months, 1Y – one year. The WIBOR rate is provided and published in accordance with the rules and on dates available on www.gpwbenchmark.pl ;
“Applicant”	means an entrepreneur conducting the business on the basis of binding legislation and who is applying for the granting of a Credit or Risk-Bearing Product;
“List”	the list referred to in Art. 96(b)(1) of the Act of 11 March 2004 regarding tax on goods and services, maintained by the Head of the National Tax Administration;
“Creditworthiness”	means the ability to repay a Credit, together with interest and commissions, within the time limits set forth in Agreement as well as an ability to discharge other liabilities connected with the Bank’s provision of services involving a credit risk – Risk-Bearing Products;
“Variable Base Interest	means the benchmark specified in the Agreement as the basis for calculating of the payments due between the Parties, e.g. LIBOR, EURIBOR, WIBOR, SOFR, SONIA,

Rate”

SARON, Term SOFR, Term SONIA ICE, Term SONIA Refinitiv or Compounded RFR Rate

based on the RFR specified in the Agreement for the period specified in the Agreement.

If the Variable Base Interest Rate becomes negative, then for the purpose of the credit/loan interest rate calculation it is assumed that the rate is zero. In the case of concluding a derivative transaction hedging the interest rate risk after 15 December 2021, other than an interest rate CAP option, for the amount of the capital of the credit/loan secured by that transaction and in the period that the transaction remains in force, the restriction as referred to in the preceding sentence shall not apply, except that in situation where the sum of the Bank's margin (*marża*) and the Variable Base Interest Rate as specified in the agreement is negative, for a given Interest Period, it is deemed that the credit/loan interest for this Interest Period is zero. Upon expiry of such derivative transaction, the underlying principle set out above will apply again.

“Obligor”

means the Borrower, guarantor or third person who has established a mortgage, pledge, or other type of collateral or collaterals for the repayment of the Bank's receivables under the Agreement, or another person whose property serves as collateral or who is otherwise responsible for the repayment of the Borrower's liabilities towards the Bank under the Agreement.

§ 2. GENERAL PROVISIONS

1. A Credit may be granted in PLN, EUR, USD or other convertible currency agreed upon with the Bank for the purpose of financing investments or the Borrower's current business operations. If the Bank agrees, the Credit may be paid out in PLN or in another convertible currency specified by the Borrower in its Disposition. An amount paid out in a currency other than the Currency of Credit shall be converted by the Bank according to the Bank Rate.
2. Depending on the manner of utilization of the Credit and the terms of repayment, the Bank shall grant, but not limited to, the following types of credits:
 - (a) Overdraft;
 - (b) Revolving Credit;
 - (c) Non-Revolving Credit;
 - (d) Liability Limit Agreement.
3. The Bank shall make the granting of a credit dependent on the Borrower's creditworthiness and on the submission by the Borrower of the documents, information and declarations required to assess this creditworthiness or required under the terms of the law in force, the Agreement or

these Regulations. On each occasion, the Bank shall inform the Borrower of the documents, information and declarations which the Borrower must submit to the Bank in connection with its application for a Credit.

4. A positive credit rating of the Borrower does not place the Bank under an obligation to grant a Credit.
5. As a condition for receiving a Credit, the Applicant must open a Bank Account at the Bank and conduct its financial settlements through this Account.
6. The Borrower is obliged to enable the Bank to carry out actions connected with assessing its financial and economic situation and monitor the use and repayment of the Credit at any time within a period of the Agreement.
7. Dispositions by the Borrower, except for Credit Withdrawal Order and payment orders, must be signed on each occasion in accordance with the Borrower's representations set forth in the relevant legal documents in the Bank's possession.

§ 3. AGREEMENT

1. The Bank grants a Credit on the basis of an Agreement concluded between the Bank and the Borrower, in which the Bank undertakes to place at the Borrower's disposal a specified amount of funds for the period of time set forth in the Agreement, to be utilized for the purpose set forth therein, and the Borrower undertakes to use these funds under the terms and conditions set forth in the Agreement; and to repay the amount of the Credit utilized, together with all due interest, commissions, fees and Bank expenses connected with the granting of the Credit, at the times and in the manner set forth in these Regulations and in the Agreement, and to discharge all other obligations under the Agreement.
2. Conclusion, amendment and termination of the Agreement requires written form or use of an Electronic Signature, otherwise shall be deemed null and void. Conclusion, amendment and termination of collateral agreements (documents) with the Obligor requires written form or use of Electronic Signature, otherwise shall be deemed null and void. Electronic signature is not allowed for a promissory note and a mortgage, and where a special form is required (e.g. a notarial deed containing a declaration of submission to enforcement pursuant to Article 777 of the Code of Civil Procedure).
3. Agreement is signed by the persons duly authorized to enter into property liabilities on the Borrower's behalf.

§ 4. AVAILABILITY OF CREDIT

1. Unless the Agreement states otherwise, the Borrower is authorized to utilize the Credit on the date on which all the following conditions are fulfilled to the Bank's satisfaction, in particular:
 - (a) opening of a Current Account at the Bank;
 - (b) receipt by the Bank of all the commissions and fees due to it by the Date of Availability of the Credit and the reimbursement of all the expenses incurred by the Bank;

- (c) receipt by the Bank of copies of resolutions by the Borrower's relevant governing bodies, approving the conclusion and performance of an Agreement by the Borrower, as well as documents certifying the permission and approval required for the Borrower's conclusion and performance of the Agreement;
 - (d) establishment by the Borrower of the collaterals set forth in the Agreement, and receipt by the Bank of the transcripts of resolutions issued by appropriate governing bodies of the Obligor containing the consent for establishing the above-mentioned collaterals (if such consent will be required by commonly binding law regulations and/or by the Agreement);
 - (e) detailed terms and conditions set forth in the Agreement.
2. The Bank's obligation to pay out funds from the Credit expires on the last Working Day of the Period of Credit Utilization.
 3. The Bank is not obliged to make payments out of the Credit if an Event of Default occurs.
 4. Unless the Agreement states otherwise, the Credit should be disbursed by the Bank within 3 Working Days of the day on which all conditions on which the availability of the Credit and the disbursement of the Credit depended were fulfilled. If, to disburse the Credit, it is also necessary for the Borrower to submit a disposition, that time shall count from the day on which the Bank receives such disposition and on which the remaining disbursement conditions are fulfilled, depending on which occurs later (this also applies to the first utilization of the Credit in the Current Account for a purpose other than on-going business operations). The above rules do not apply to an Overdraft whose utilization occurs by means of fulfilling the Borrower's payment orders debited to the Current Account where the hours by which the dispositions are accepted as set forth in the rules concerning the times of transfers at BNP Paribas Bank Polska S.A.
 5. (repealed)
 6. The Credit in a foreign currency utilized in a currency other than the currency of the Credit shall be converted in accordance with the definition of Conversion.
 7. Credit Payment Orders submitted in writing or with use of Electronic Signature should be submitted on each occasion in accordance with the draft of the Credit Payment Order and signed in accordance with the Borrower's representation set forth in the relevant registration documents in the Bank's possession.
 8. Notwithstanding the provisions of the Agreement and the Regulations, the Bank admits a possibility for the Borrowers (who have access to the Bank's Internet Banking System) to submit Credit Payment Orders through the Internet Banking System. Credit Payment Orders may also be submitted on behalf of the Borrower by any person which has been empowered by the Borrower in the Internet Banking System to submit such orders (in accordance with the rules provided in that System).
 9. The Bank reserves the right to refuse to execute a Disposition from the Borrower if:
 - (a) this would result in the Credit being made available in breach of the terms of any Agreement that was concluded on the basis of these Regulations;
 - (b) there is any circumstance which justifies the Bank's termination of any Agreement concluded on the basis of these Regulations, or the Disposition would be carried out after the final date of the use of the Credit set forth in the Agreement;

- (c) the Disposition reaches the Bank during the period of notice of termination of the Agreement or any Agreement concluded on the basis of these Regulations;
 - (d) the Disposition does not conform to the terms of these Regulations and/or Agreement;
 - (e) the conditions for granting of a Credit set forth in the Agreement have not been fulfilled;
 - (f) in the Bank's opinion the Borrower submitted untrue documents, declarations, information.
 - (g) In case of occurrence of an environmental, social or corporate governance risk.
10. The Bank shall not be liable for the effects of an incorrectly prepared Disposition delivered to the Bank.
11. (repealed)
12. All costs and commissions connected with the performance of the Disposition shall be borne by the Borrower.
13. During the Term of Credit Use, the Borrower is entitled to make withdrawals from the Credit in accordance with rules and aims specified in the Agreement on the basis of submitted Orders of Withdrawal from Credit, maximally to the amount of the available limit, with the exception of Overdraft facility, in which the use of Credit occurs through the execution of the Borrower's payments orders debiting the Current Account. Order of a withdrawal from the Credit may not be revoked by the Borrower and constitutes its irrevocable obligation to use the Credit in accordance with details specified in the Order. If the Borrower indicates in a withdrawal order an amount higher than the available limit, the withdrawal shall be made to the amount of the available limit without the necessity to submit a correct payment order, unless the Borrower, informed by the Bank about the situation, expresses its disagreement before the withdrawal is made and submits a correctly completed withdrawal order.
14. Should it not be possible to provide a Tranche in the currency requested by the Borrower in the Credit Withdrawal Order (due to a market collapse or other reasons), the Tranche shall not be paid out. The Bank shall have the right to change the given foreign currency as the currency of the Credit into zloty. Such change shall occur on the basis of declaration of the Bank addressed to the Borrower in writing or with use of Electronic Signature. The change of the currency shall be successful if the Borrower does not resign from the Credit whose currency is supposed to change. The Credit may be resigned from only after all liabilities ensuing from the Credit utilized so far as well as other liabilities in the currency of the Credit before the change are repaid. The declaration of resignation from the Credit may be made within 30 days of the day of receipt of the Bank's declaration of change of the Credit's currency. The Bank is obliged to refund the Borrower the commissions and fees charged on the amount of the Credit for which the Borrower has successfully submitted a resignation.
15. If, as a result of a change in the exchange rates, the equivalent of the value of the Borrower's liabilities remaining to be repaid under the Credit exceeds the value of the Credit, on the next day at the latest the Borrower shall repay the amount by which the value of the Credit was exceeded.

16. The foreign currency buy and sell rates used by the Bank, hereinafter referred to as "Exchange rates", are determined by the Bank on the basis of the average market exchange rates of each foreign currency in effect on the inter-bank currency market, published in the Thomson Reuters informational service, hereinafter referred to as "Average market exchange rates", and the currency spreads determined by the Bank, in accordance with the rules set forth below.
17. Should the Average market exchange rate not be published in the aforementioned informational services, the Bank determines the Exchange rates on the basis of the data concerning the Average market exchange rate published in another informational or transactional service. In this case the Bank encloses information in the Table of exchange rates from which service the data concerning the Average exchange rates on the basis of which the Exchange rates were determined was taken.
18. The exchange rates are determined by the Bank in line with the following principles:
 - (a) the foreign currency sell rate, hereinafter referred to as "Sell rate", is determined as the Average market exchange rate plus the currency spread determined for the sale of the currency, hereinafter referred to as "Sell spread", which is calculated in the following manner:
Sell spread = Average market exchange rate x Sell Adjustment Ratio
 - (b) the foreign currency buy rate, hereinafter referred to as "Buy rate", is determined as the Average market exchange rate minus the currency spread determined for the purchase of the currency, hereinafter referred to as "Buy spread", which is calculated in the following manner:
Buy spread = Average market exchange rate x Buy Adjustment Ratio.
19. The difference between the Sell rate and the Buy rate of the given currency calculated in accordance with the above principles constitutes the currency spread, being the sum of the Sell spread and the Buy spread.
20. The Bank determines the value of the Buy Adjustment Ratio and the Sell Adjustment Ratio depending on the fluctuations of the rates on the inter-bank market, the liquidity of individual currencies and the competitiveness of the Exchange rates being offered to customers, however, when applying these ratios, the value of the:
 - (a) the Sell spread or the Buy spread may not be higher than 5% of the Average market exchange rate, whereas
 - (b) the value of the Currency spread may not be higher than 10% of the Average market exchange rate,with a reservation that the value of those ratios may change not more frequently than once in a calendar month.
21. Information about the value of the Sell Adjustment Ratio and the Buy Adjustment Ratio is published in the form of an announcement available at the Bank's branches, the Bank's call centre and on the Bank's website - www.bnpparibas.pl.
22. The Exchange rates in effect at the Bank are published in the Bank's Table of exchange rates which applies starting on the day and hour indicated therein until the moment from which the next Table of exchange rates applies. The Exchange rates may change during the day on which they are determined.
23. Two Tables of the Bank's Exchange rates are drawn up every working day:
 - (a) the first one effective starting at **8:45 a.m.** and
 - (b) the last one effective starting at **4:15 p.m.**

24. Regardless of the hours indicated in par. 21, the Bank may draw up a new Table of exchange rates if, during the period between those hours, a change occurred in the Average exchange rate with respect to at least one currency indicated in the Bank's Table of exchange rates by at least half of the value of the Sell spread or Buy spread as regards the affected table.
25. The Bank's Table of exchange rates contains Exchange rates determined on the basis of the Average market exchange rates in effect on the inter-bank currency market in effect 15 minutes before the hour indicated in the table from which the given table applies.
26. The Bank's current Tables of exchange rates are available at the Bank's branches, in the Internet Banking System and are published on the Bank's website - www.bnpparibas.pl.
27. The rules and times of determining the Exchange rates may change in case of:
 - (a) implementation of new or amendment of the commonly applicable laws concerning determination of the exchange rates or currency spreads by banks if this results in the need for the Bank to implement this type of changes,
 - (b) issuance by banking supervision authorities, consumer rights and competition protection authorities or by other authorized authorities of decisions or recommendations within the scope in which the changes being made include adaptation of solutions adopted by the Bank in this regard to those decisions or recommendations.
28. The Credit is not disbursed using the split payment method referred to in art. 108a of the Goods and Services Tax Act of 11 March 2004.
29. The Borrower may, in a loan drawdown instruction, select the loan disbursement option in order to make a payment for a VAT invoice issued to the Borrower, in the split payment mechanism. To use this option, the Borrower must first open a Split Payment Account with the Bank. The Split Payment account will be blocked all the time, which means that no other payments may debit or credit this account. A VAT account will be opened for the Split Payment Account, which will not be linked to any other account maintained by the Bank for the Borrower. In such a situation, the loan drawdown instruction will also constitute the Borrower's payment order with the content specified in the appendix to this instruction.

§ 5. DECLARATIONS BY THE BORROWER

1. The Borrower declares that:
 - (a) all approvals and permission necessary for the conclusion and performance of the Agreement had been obtained and that the Agreement is a legally valid, binding, enforceable obligation by the Borrower vis-a-vis which the Bank may take action under the terms of the Agreement;
 - (b) no Event of Default or justified risk thereof shall occur as a result of a utilization of the Credit under the terms of the Agreement;
 - (c) no unfavourable change has occurred to the Borrower's financial situation;
 - (d) the Borrower is in no arrears with the payment of any Taxes and there are no claims against the Borrower of which the Bank has not been informed;
 - (e) The Borrower:
 - (i) has not filed for bankruptcy, nor has any third party filed for its bankruptcy;

- (ii) has not suspended payment of the whole of or part of its debts, nor has he declared an intention to do so, nor admitted that he is unable to pay its debts within their payment deadline and in consequence thereof has commenced talks with its creditor or creditors on a refinancing or rescheduling of its debts
 - (iii) has not filed for composition or remedial proceedings;
 - (f) no court, arbitration or administrative proceedings are in force against the Borrower, nor is there any threat of such proceedings:
 - (i) which could have a significant negative impact on the Borrower's legal status, financial situation or operating results or its ability to discharge its commitments under this Agreement;
 - (ii) which may have a negative impact on the legality, validity and enforceability of the terms of the Agreement;
 - (g) all information provided to the Bank by the Borrower in connection with the Agreement and all documents provided to the Bank in connection with the Agreement are true and complete, and faithfully reflect the Borrower's legal status and financial situation, and the Borrower is not aware of any other significant facts or circumstances which have not been disclosed to the Bank and which, if revealed, could have a negative effect on the Bank's decision to make the Credit available to the Borrower;
 - (h) the Borrower irrevocably waives all claims for deductions and the possibility of deducting any claims vis-a-vis the Bank from its liabilities towards the Bank resulting from concluded Agreements;
 - (i) the signing of this Agreement is not contrary to and does not violate:
 - (i) a court or administrative decision by which the Borrower is bound;
 - (ii) any agreement to which the Borrower is a party or to which he is in any way bound.
- 2. The Borrower declares that he acknowledges the fact that Credits in foreign currencies, apart from the interest rate risk, generate an exchange risk for the Borrower. In case of appreciation of the foreign currency the costs of servicing the Credit increase for the Borrower. The Borrower also declares that he acknowledges the fact that it is possible to hedge the Credit in a foreign currency against the exchange risk in order to minimize the impact of exchange rate fluctuations on the enterprise's business activity and that hedging instruments are available, thanks to which the losses resulting from the adverse changes in the exchange rates may be partially reduced or even completely eliminated.
- 3. The declarations made in accordance with par. 1 do not apply to circumstances about which the Borrower has previously informed the Bank of in writing or with use of Electronic Signature. The Borrower undertakes to ensure that the representations made pursuant to §18 and §19 shall remain uninterruptedly true during the entire lending period. At the same time the Borrower is obliged to immediately inform the Bank about changes in the circumstances referred to in par. 1, and in §18 and §19 below.

§ 6. INTEREST, COMMISSIONS, FEES AND A REIMBURSEMENT OF BANK COSTS

1. The Bank shall charge interest on the amount of Credit utilized and outstanding up to the amount set forth in the Agreement. The interest shall be calculated in the Currency of Credit from the date of first payment of the Credit to the Date of Final Repayment (exclusive of that day), according to:
 - (a) a variable interest rate set in the Agreement by the Bank based on the Variable Base Interest Rate;
 - (b) a fixed interest rate binding throughout the Period of Credit, the amount of which is set forth (margin) in the Agreement;
2. A change of the Variable Base Interest Rate shall not constitute an amendment to the Agreement.
3. An application of the Variable Base Interest Rate results in an automatic change of the Credit interest rate, in accordance with its changes. An application of the Variable Base Interest Rate results in an automatic change of the Credit interest rate, in accordance with its changes.

The Interest shall be calculated at the end of every Interest Period on the utilized amount of the Credit for the actual number of days of utilization of the Credit and assuming 365 days in a year, with the exception of the Credit for which the basis for the calculation of interest is an RFR other than SONIA or a Compounded RFR Rate based on RFR other than SONIA where 360 days in a year are assumed, in each case according to the Variable Base Interest Rate increased by the Bank's margin.

4. If the agreement does not specify the interest rate, The Bank shall itself determine the interest rate being a sum of the Bank's margin and the relevant base interest rate determined by the Bank in good faith on the basis of available and credible sources, taking into account the costs of acquiring the necessary amount by the Bank for the given period.
5. If:
 - (a) the Variable Base Interest Rate (or the RFR constituting the basis thereof), applicable due to the currency of the credit or the tranche of the credit, is not published, or
 - (b) it is not possible to determine the interest rate for other reasons,
 - (c) the Variable Basis Interest Rate (or the RFR constituting the basis thereof), ceases to be representative, or
 - (d) a change to the method of calculating the Variable Basis Interest Rate (or the RFR constituting the basis thereof) occurs

the Bank shall apply the rules specified in Schedule 1 to the Regulations.

6. The interest on Credits shall be calculated on the daily debit balances and shall be payable:
 - (e) for Overdraft - on the last day of the calendar month and if it is not a Working Day, on the first Working Day following it.
 - (f) for Revolving Credit and Non-revolving Credit – on the last day of the calendar month and if it is not a Working Day, on the first Working Day following it or accordingly, depending on the length of the Interest Period, for instance, quarter or six-month period (unless the agreement states otherwise).
7. Unless the Agreement states otherwise, the Interest Periods:

- (a) for an Overdraft are one month, and for the first Interest Period commence on the date of first utilization of the Credit and last until the last calendar day of the month, and if it is not a Working Day, until the first Working Day following it (including that day). Subsequent Interest Periods commence on the first Working Day of the following month and last until the last calendar day of that month, and if it is not a Working Day, until the first Working Day following it (including that day);
 - (b) for a Revolving Credit and Non-revolving Credit are one month, where the first Interest Period commences on the date of first utilization of the Credit and last until the last calendar day of the month, and if it is not a Working Day, until the first Working Day following it (excluding that day). Subsequent Interest Periods commence on the last calendar day of the month and last until the last calendar day of the following month, and if it is not a Working Day, until the first Working Day following it (excluding that day);
 - (c) for a Non-Revolving Credit, a three month or six month period can also be applied. The first Interest Period commences on the date of first utilization of the Credit and last until the last calendar day of the quarter or six-month period, and if it is not a Working Day, until the first Working Day following it (excluding that day). Subsequent Interest Periods commence on the last calendar day of the quarter or six-month period and last until the last calendar day of the following quarter or six-month period, and if it is not a Working Day, until the first Working Day following it (excluding that day);
8. Unless the Agreement states otherwise, the Borrower's Current Account with the Bank shall be debited with interest.
 9. Regardless of whether the Credit rate of interest set forth in the Agreement is fixed or variable, should any law oblige the Bank during the term of the Agreement to create, deduct or maintain special provisions, special funds, deposits or other charges resulting from the granting of Credits, opening of Letters of Credit, issue of Bank Guarantees, the Bank shall be entitled to alter the margin of interest and commissions and the manner of calculating them in proportion to the effects of the amendments to the law. Such changes shall take effect on the day specified by the Bank, according to the day on which the aforementioned changes to the law took effect, without the need to conclude an Annex to the Agreement.
 10. Following the prior agreement with the Bank, the Borrower shall cover all justified costs and expenses incurred by the Bank, including remuneration for legal consultants connected with preparation and conclusion of the Agreement. The amounts due to the Bank as a result of the aforementioned costs incurred by the Bank will be expressed in the currency in which the costs were incurred. The Borrower also undertakes to cover all the costs connected with the process of recovery of overdue receivables arising out of the Agreement being conducted by means of court proceedings.
 11. In the event of a failure to repay the whole of or part of the Credit or other amount due to the Bank within the deadline set forth in the Agreement, the Bank shall regard this as an overdue debt as of the next day after the date of maturity.
 12. The Bank shall collect late charges on overdue debt in the amount of the maximum late charges determined on the basis of art. 481 of the Act of 23 April 1964 Civil Code.
 13. For granting a Credit the Bank may collect the following fees and commissions determined depending on the type and in the amounts set forth accordingly in the Agreement, Regulations or Table of commissions and fees:
 - (a) a front-end commission – payable for preparing the Agreement and for making the Credit available, calculated on the amount of the Credit regardless of the utilization of the Credit,

due on the Date of Availability of the Credit, unless the parties include other provisions in this regard in the Agreement, payable one-off in advance no later than on the day of first utilization of the Credit. Lack of collection of the fee within the above-indicated deadline shall not rule out the Bank's right to charge the fee at a later date. The fee shall be collected subject to the provisions on the front-end fee.

- (b) a front-end fee – payable in case of the Borrower's resignation from the Credit after the Agreement had been concluded or following a failure to meet the criteria for making the Credit available as set forth in the Agreement within 12 months of conclusion of the Agreement. The Bank shall have the right to collect a fee in the amount corresponding to front-end fee if it summons the Borrower to pay the said fee. The deadline for paying the fee shall ensue from the summons addressed to the Borrower to pay the fee. Should this fee be collected, the Bank shall not collect the front-end commission.
- (c) a commission for early repayment - calculated on the amount of Credit repaid prior to the date set forth in the Agreement and payable no later as the early repayment;
- (d) a commission for an amendment to the terms and conditions of the Agreement at the Borrower's request – calculated on the amount of Credit, payable on terms and by the dates set forth in the annex amending the Agreement;
- (e) a commission for waiving the whole of or part of the amount of the Credit – calculated on the amount of the Credit waived and payable on the day on which the whole of or part of the Credit is cancelled;
- (f) a commitment commission – calculated on the portion of the Credit or tranche of Credit made available but not utilized (in full or in part) in the amount set forth in the Agreement. The commission is charged for every day the Credit is not utilized, assuming that a year has 365 days, starting on the day the Credit is made available (in full or in part) until the last permissible day of its utilization. The commission is collected on the amount constituting a difference between the value of the Credit / Credit tranche specified in the agreement / value of the Credit indicated in the Borrower's declaration (concerning the Overdraft) and the value of the Credit utilized as at the given period / day:
 - (i) in case of Revolving Credits, Overdraft and a Liability Limit Agreement - the commission shall be collected in monthly intervals on the last day of every month, and if it is not a Working Day, on the first Working Day following it;
 - (ii) in case of Non-revolving Credits - at the latest on the day the tranche of the Credit is disbursed or on the day of a futile lapse of the deadline for disbursing the Credit.

The engagement commissions set forth in the previously concluded Agreements shall, starting on 9 November 2019, change their names and shall become commitment commissions, however, the Borrowers shall pay the commitment commissions in the amount set forth in the Agreements for the previous engagement commissions.

- (g) Administrative commission which will be calculated according to the balance as at the last business day of the previous calendar quarter, whereas if facility repayment falls on this day, the debt balance directly before such repayment was made will be the basis for calculating the commission:
 - (i) on the value of the Credit/Limit made available on that date - in case of Revolving Credits, Overdraft and Liability Limit Agreements,

- (ii) on the value of the disbursed Credit remaining to be repaid as at that date - in case of Non-revolving Credits (including guarantees issued as part of non-revolving lines of guarantee and letters of credit opened as part of non-revolving lines of letters of credit).

The commission shall be payable on the 15th day of the first month of the given quarter or on the first working day following that date, and if the date of repayment of the Credit or expiry of the guarantee, letter of credit falls prior to that day – on the day of full repayment of the Credit, expiry of the guarantee or letter of credit based on the amount of the Credit/Limit made available or the amount of the Credit disbursed and remaining to be repaid immediately before the repayment/expiry. The current value of the commission is set in the Table of commissions and fees. The current rate of the commission is set in the Table of commissions and fees. The Bank may, once a year, change the value of the commission should at least one of the factors indicated in par. 16 of this section occur.

- (h) Other commissions and fees specified in the Agreement and the Table of commissions and fees.
14. Non-collection of any commission within the deadline does not release the Borrower from the obligation to pay it.
 15. Paid commissions are not refundable should the granted Credit not be utilized.
 16. Unless the Agreement states otherwise and subject to point 12 letter g above, all of the Borrower's bank accounts at the Bank shall be debited with all commissions, fees and costs of establishing, changing and releasing the collateral payable to the Bank under the Agreement. In the first place the Bank shall encumber the Borrower's Current Account.
 17. The Bank reserves the right to unilaterally change the Table of commissions and fees in the part concerning the Credits in case of occurrence of one of the following circumstances:
 - (a) change in the value of the costs which the Bank bears for performing the activities covered by the Regulations, including the prices of electricity, telecommunication and IT connections;
 - (b) change in the scope, method or form in which the activities covered by the Regulations are performed, including technological changes,
 - (c) necessity to adapt the level of the commissions and fees to competitive offers;
 - (d) changes in the laws affecting the Bank's operations or growth of the Bank's costs of activities covered by the Regulations;
 - (e) changes in macro economic conditions affecting the Bank's operations or growth of the Bank's costs of activities covered by the Regulations.
 18. The Borrower may be notified of the change in the Table of commissions and fees in particular in electronic form.
 19. Within 14 days of receiving information about the change in the Table of commissions and fees the Borrower may terminate the agreement, otherwise it shall be assumed that the change has been accepted by him and is binding.
 20. The Bank may collect fees associated with the granted Credit during the term of the agreement, charged and payable in accordance with the Table of commissions and fees, on the day of occurrence of the obligation to pay them. The current Table of commissions and fees is available at every branch of the Bank and on the Bank's website at www.bnpparibas.pl or at the Bank's call centre.

§ 7. OBLIGATIONS OF THE BORROWER

1. By signing the Agreement, the Borrower undertakes – from the date of conclusion of the Agreement until the date of discharge of all its obligations under the Agreement - to:
 - (a) undertake all actions to maintain its legal status and engage in its business in compliance with the rules of law in force, and in particular to obtain and renew all permits, licenses and concessions necessary for him to engage in his business;
 - (b) obtain and renew, and provide to the Bank forthwith, certified copies of all authorizations, certifications, permits, licenses, exemptions, registrations, entries, applications and notarial deeds which may be required or desirable in order to guarantee the validity or enforceability of its obligations or of the Bank's rights under or in connection with the Agreement;
 - (c) not to issue authorizations to third parties to use its bank accounts at the Bank without the Bank's permission(granted in writing or with use of Electronic Signature);
 - (d) not to assign any rights under bank account agreements, establish liens on those rights, or otherwise effect restrictions on the disposal of accounts in favour of third parties, without the Bank's permission(granted in writing or with use of Electronic Signature);
 - (e) immediately notify the Bank of any events of which he is aware which result in ownership or capital changes to the company, as well as any other organizational and economic changes of which he is aware which are likely to have a significant impact on its legal, financial or economic situation, as well as any change of address, statistical number or tax identification number;
 - (f) insure its assets to the extent and to an amount that complies with the standards accepted in a given branch of the economy, and maintain the continuity of the insurance of its assets or those of another Obligor, especially those assets which serve as collateral for the Credit;
 - (g) properly maintain the enterprise's accounting records and reports, and arrange annual audits of the financial statements by independent auditors in accordance with the law in force;
 - (h) permit the Bank to control its assets and liabilities;
 - (i) discharge all its Tax liabilities punctually;
 - (j) beyond the scope of its ordinary business – not to dispose of, rent, lease or otherwise dispose of, nor encumber, any important component of its assets as a collateral for the claims of third parties;
 - (k) immediately notify the Bank of any significant changes in its economic, financial or legal situation; changes to its governing bodies, the start of execution, composition, liquidation or bankruptcy proceedings against him or a Obligor, and any occurrences which cause or may cause a threat to the punctual repayment of the Credit, interest due, commissions, fees and Bank expenses incurred in connection with the granting of the Credit;
 - (l) provide the Bank, within 20 calendar days of the end of the given calendar quarter, with the following documents:

- (i) report F-01,
- (ii) mid-year financial statement and the consolidated financial statement of the capital group,

In a situation where the Borrower is not obliged to prepare this type of reports, he submits information about the results of its operations in the form agreed upon with the Bank.

Documents for the fourth quarter of the given calendar year should be provided by the 20 February of the calendar year following the calendar year which the financial statement/information about the results concerns;

moreover, within 6 months of the day ending the financial year,

- (iii) annual financial statement together with the report on the entity's activities (if the obligation to draw up such report ensues from the Act or separate laws) and the auditor's report on the audit of the financial statement if an audit of the financial statements is required under the relevant terms of the law
- (iv) annual consolidated financial statements of the capital group together with the report on the group's activities (if the obligation to draw up such report ensues from the Act or separate laws) and the auditor's report on the audit of the financial statements if an audit of the financial statements is required under the relevant terms of the law.
- (m) provide the Bank with all documents, information and reports concerning him and/or the Obligor which the Bank may require, in particular:
 - (i) a certificate from the Tax Office certifying that there are no tax arrears
 - (ii) (repealed)
 - (iii) (repealed)
 - (iv) a certificate from the Social Insurance Establishment certifying that there are no arrears with contributions;
 - (v) a current extract from the Commercial Court Register or other appropriate register (in the event of any change to its contents) and copies of applications to make changes to this register;
 - (vi) information on any difficulties which might jeopardize an adherence to the terms of the Agreement;
 - (vii) information on an intended change to its ownership or legal status and/or that of another Obligor;
 - (viii) information on any credits acquired by him, limits granted for the opening of letters of credit and guarantees, issued guaranties, and other important balance sheet or off-balance sheet liabilities;
 - (ix) any other periodic information and documents which the Bank may reasonably require in connection with the Agreement or which are essential in order to assess the current financial and economic situation of the Borrower or another Obligor.

- (n) provide the Bank with a revaluation of the real property (new appraisal study) adopted as a collateral for the credits or other products granted to the Borrower by the Bank, made by an Independent expert appraiser, however, submission of a new appraisal study to the Bank shall be made not less frequently than every 3 years.
 - (o) bear liability for the preservation of objects and property rights which constitute the Subject of Collateral in favour of the Bank in a proper, undeteriorated condition which enables the Bank to use them in order to satisfy its claims;
 - (p) immediately notify the bank of any Event of Default or a situation likely to cause a cause an Event of Default;
 - (q) not to alter significantly the line of its business activity which existed at the moment of signing of the Agreement.
2. The Bank may assign the whole of or part of enforceable claims under this Agreement to another entity, and the Borrower agrees to disclose to the purchaser all documents and information relating to the Borrower and the Agreement.
 3. The Borrower waives the right to transfer its claims under the Agreement to a third party without the Bank's prior permission (granted in writing or with use of Electronic Signature).
 4. The documents required by the Bank (as regards the obligations to convey documents on an on-going basis, including financial documents being drawn up by the Borrower, required by all legal relations involving credits concluded with the Bank) may be conveyed by electronic means through the Internet Banking System in the form of an electronic file attached to an e-mail (for instance, pdf, xml, xades, etc.).

Documents conveyed in this manner shall be deemed as legally effective conveyance to the Bank. The Borrower is obliged to use only original documents the moment they are conveyed to the Bank, to keep original financial documents (drawn up in the form provided for in the Accounting Act) and other documents being conveyed to the Bank, and if necessary, to convey the original documents upon every request of the Bank. The Borrower bears full legal liability for losses which the Bank shall bear in connection with the use of data and information contained in unreliable or non-genuine financial documents and waives any claims and allegations towards the Bank which might arise in connection with the Bank's empowerment to convey documents by electronic means.

§ 8. COLLATERAL FOR THE REPAYMENT OF THE CREDIT

1. The Borrower is obliged to provide the collateral set forth in the Agreement for the repayment of the Credit.
2. All costs connected with establishing, maintaining, changing, assessing present legal state and releasing the collateral shall be borne by the Borrower or other Obligor. The above-mentioned costs are understood in particular as: court fees, stamp duties, notary fees from authorizations (including notary fees for confirming the consistency with original of photocopied documents).
3. The Bank reserves the right to make use of the established collateral in any order it wishes.
4. The Bank reserves the right to demand additional collateral for the Credit, and the Borrower undertakes to establish it forthwith and bear the costs connected with this, if, in the Bank's opinion:

- (a) the full and timely repayment of the Borrower's liabilities towards the Bank is in jeopardy;
 - (b) the value of the established collateral has diminished or is likely to diminish;
 - (c) any circumstance arises which justifies the termination of the Agreement by the Bank.
5. The establishment of collateral for the repayment of a Credit means the delivery to the Bank of a suitable document, satisfactory to the Bank, confirming a legally effective establishment of collateral on/or the transfer to the Bank (a person indicated by the Bank) of a Subject of Collateral, appropriate to the type of collateral or the provisions of the relevant agreements.
 6. After receiving notification from competent court about mortgage establishment as collateral for repayment of receivables under the Agreement, the Bank is authorized to apply to court for the excerpt from land and mortgage registry for the encumbered property and is irrevocably authorized to debit the Borrower's Current Account for the costs of obtaining the above-mentioned excerpt and costs of assessing the present legal status of other collaterals (without separate Disposition of the Borrower). In case of lack of funds available in the Borrower's Current Account, the Bank may debit the Borrower's other accounts held by the Bank to recover those costs.
 7. In a situation where the repayment of the Credit is secured by a transfer of receivables and the debtor of the transferred receivables makes a payment to the Bank as part of the receivables using a split payment mechanism referred to in art. 108a of the Goods and Services Tax Act of 11 March 2004, the Bank shall transfer the amount received in the Bank's VAT account associated with the account indicated to the debtor of the transferred receivables as the account for repayment, corresponding to the entire or a portion of VAT ensuing from the invoice, to a VAT account associated with the Borrower's/assignor's current account kept by the Bank or another account indicated by the Borrower/assignor. The value of the receivables transferred to the Bank, payment of the receivables using a split payment mechanism, in the part covering VAT, shall not be included in the calculation of the total maximum value of the receivables transferred or which should be transferred to the Bank under the receivables transfer agreement.
 8. The Obligor providing the collateral in the form of an assignment undertakes and ensures the Bank that its account will be on the List during the term of the assignment agreement.
 9. In the event the account of the Obligor that establishes the collateral is not on the List, the Bank has the right to withhold the transfer of the referenced amounts, until the Obligor's account is entered in the List in accordance with applicable regulations in this respect.
 10. The provisions of para. 8-9 shall not apply if the Obligor that establishes the collateral proves to the Bank that under the applicable provisions of the VAT Act dated 11 March 2004, it is not obligated report its account to be entered in the List.
 11. The Bank is authorised on its own or through third parties, to check at any time the state of the Subject of Collateral and the Borrower and the Party establishing the collateral are obliged, at the Bank's request, to immediately allow the Bank or third party to perform such check and to provide an appraisal (or re-appraisal) of the value of the collateral made by an Independent expert appraiser. The appraisal (or re-appraisal) of the value of the collateral may also be outsourced by the Bank to a third party on market terms. If performance of an appraisal turned out to be justified because the value of the collateral decreased significantly or not fewer than 3 years have elapsed since the previous appraisal, the costs of the appraisal are borne by the Borrower but the obligation to pay them arises only upon the Bank's request.

§ 9. CURRENCY CHANGE

Unless the Agreement states otherwise, change of the Credit's currency may occur at the Borrower's request submitted to the Bank in writing or with use of Electronic Signature, three Working Days before the planned currency conversion, subject to sec. 4 §7 of the Regulations.

§ 10. REPAYMENT OF CREDIT AND OTHER AMOUNTS DUE

1. The Credit and interest due, together with commissions, fees and other amounts due to the Bank under the terms of the Agreement, shall be paid by debiting the Borrower's bank account set forth in the Agreement.
2. The Borrower shall ensure that there are sufficient funds in its relevant account with the Bank to completely cover its liabilities under the Agreement 1 (one) Working Day before the Day of Enforceability.
3. The date of payment shall be deemed to be the date on which the Borrower's account with the Bank is debited with the due amount.
4. The Borrower may pay the amounts due to the Bank under the terms of the Agreement either in PLN or in any other convertible currency. If the Borrower intends to pay the amounts due in a currency other than that in which they have been calculated, he should notify the Bank of this and indicate the currency of payment no later than three Working days prior to the date on which payment is due. The Bank shall calculate the amount of repayment according to the buy rate of the Credit repayment currency and sell rate of the Credit currency binding at the Bank on the date of payment.
5. All amounts enforceable under the Agreement on a day which is not a Working Day shall be enforceable on the following Working Day.

§ 11. DEDUCTIONS

1. The Bank is entitled to deduct its receivables under this Agreement, together with all the Borrower's enforceable and unenforceable debts towards the Bank, regardless of the place of payment, the Branch which is carrying out the transaction, or the currency. If the deducted receivables are in various currencies, the Bank may, for the purpose of deduction, convert any of the receivables according to the Bank Rate.
2. All the Borrower's payments under the Agreement shall be made in whole, without any deductions. If, on the basis of legal regulations, it is necessary to deduct amounts from the total amounts due to the Bank under the terms of the Agreement, the Borrower shall balance out the amounts due to the Bank in such a way that after the deduction have been made, the Bank receives the total amount it is due. By concluding the Agreement, the Borrower waives its right, set forth in art. 498 §1 of the Civil Code, to deduct its own claims towards the Bank from the Bank's claims resulting from the Agreement.

§ 12. ORDER OF BOOKING BY THE BANK OF ACQUIRED AMOUNTS

1. All amounts acquired by the Bank from the Borrower in connection with the Agreement or as a result of execution or bankruptcy proceedings or other actions undertaken to recover amounts

of money due to the Bank, shall be booked by the Bank towards its enforceable receivables in the following order:

- (a) costs incurred by the Bank;
- (b) fees and commissions;
- (c) interest for delay;
- (d) interest;
- (e) principal (amount of unrepaid Credit or Risk-Bearing Product).

§ 13. EARLY REPAYMENT

1. The Borrower is entitled to repay the whole of or part of the Credit early, notifying the Bank of such an intention no later than three Working Days before the date of the planned early repayment indicated in the notification or the Credit Repayment Order. Such notification or Credit Repayment Order is unconditional and irrevocable. At the same time as making early repayment, the Borrower shall pay the Bank all the interest, commissions, fees and expenses due in connection with the Credit. Should the amount (including all the interest, commissions, fees and expenses due in connection with the Credit) indicated in the notification not be paid on time, the amount covered by the early repayment shall become an enforceable obligation.
2. Notifications or Dispositions constituting Early Credit Repayment Orders should be signed on each occasion in accordance with the Borrower's representations set forth in the relevant legal registration documents in the Bank's possession.
3. Notwithstanding the provisions of the Agreement, the Bank admits a possibility for the Borrowers (who have access to the Bank's Internet Banking System) to submit Early Credit Payment Orders through the Internet Banking System. Early Credit Payment Orders may also be submitted on behalf of the Borrower by any person which has been empowered by the Borrower in the Internet Banking System to submit such orders (in accordance with the rules provided in that System).

§ 14. EVENTS OF DEFAULT

1. The Bank may consider any of the following to constitute Events of Default:
 - (a) the Credit is not utilized in accordance with its purpose;
 - (b) the Borrower or other Obligor fails to pay punctually any amount due to the Bank under the Agreement on its Date of Enforceability;
 - (c) the Borrower or other Obligor has not performed or improperly performed any other liability under the Agreement or other agreements connected with the Agreement;
 - (d) any representation or warranty made by the Borrower or other Obligor under the Agreement or in a document submitted or delivered to the Bank in connection with the Agreement or information provided by an Obligor in connection with such a document turns out to be false or significantly incomplete at the moment of their submission, or the documents provided by the Borrower on whose basis the Credit was issued are false or incomplete;

- (e) the Borrower's assets or those of another Obligor (including the Subject of Collateral) have been seized, including for the purpose of satisfying the claims of a third party, and during the period of time indicated by the Bank this collateral has not been lifted or the Borrower's or Obligor's creditor has been granted an enforcement title on the basis of which he is able to secure the encumbered assets of the Borrower or other Obligor, or will be entitled to pursue its claims under execution from real estate, or property, or any assets possessing a significant material value;
- (f) the Borrower has suspended payment of its debts in whole or in part, has announced an intention of doing so, or has admitted that is incapable of paying its debts by the Date of Enforceability, or on account of financial difficulties has commenced talks with one or more creditors in order to refinance or reschedule its debts;
- (g) bankruptcy, remedial or liquidation proceedings have been commenced against the Borrower or other Obligor;
- (h) execution proceedings have been commenced against the Borrower's assets which, in the Bank's opinion, might prevent the timely repayment of all the Borrower's liabilities towards the Bank under the Agreement;
- (i) court or administrative proceedings have been commenced against the Borrower which, in the bank's opinion, might jeopardize the Borrower's financial condition or existence;
- (j) the Agreement is, or becomes, void or non-conformant with the law, or the performance by the Borrower or Obligor of their liabilities under the Agreement or under a document associated with the Agreement becomes non-conformant with the law;
- (k) the Borrower's or other Obligor's economic, legal or financial situation deteriorates in relation to the situation known to the Bank at the moment of conclusion of the Agreement, or their development prospects deteriorate, or another event occurs which, in the Bank's opinion, might jeopardize the Borrower's or Obligor's ability to repay punctually the amounts due to the Bank under the Agreement;
- (l) the Borrower's shares are sold without prior notification to the Bank, resulting in a change to the Borrower's controlling entity, or another kind of assuagement occurs, or a pledge is established, or shares are otherwise encumbered, or any other event occurs resulting in such a change;
- (m) the collateral for the repayment of the Credit becomes void or ineffective, or is revoked, or the entity that has set up the collateral questions its liability under the collateral;
- (n) any other event or circumstances have occurred which constitute a default of the Agreement by the Borrower, or the Borrower, or any entity controlled by him or controlling him, breaches any agreement concluded between them and the Bank, or any entity which controls or is controlled by the Bank;
- (o) the Borrower enters into Agreement whose terms are contrary to the terms of the Agreement and these Regulations, including any agreements with conditions more favourable for third parties than the conditions for the Bank resulting from the Agreement and/or Regulations;

- (p) significant changes occur to the nature, objects and form of the Borrower's or other Obligor's business without the Bank's knowledge and approval;
- (q) termination (or any other early cancellation) by any financial institution (including the Bank, BNP Paribas Leasing Services Sp. z o.o. and/or BNP Paribas Faktoring Sp. z o.o.) of a credit or loan agreement or another agreement leading to a credit risk concluded with the Borrower (including, in particular, a factoring or lease agreement), and a situation where, despite of lack of termination of such agreement, grounds for termination thereof have arisen; the above also applies to the parent company (within the meaning of the Act of 15 September 2000 Commercial companies code) towards the Borrower and the company with respect to which the Borrower is a parent company (within the meaning of the Act of 15 September 2000 Commercial companies code);
- (r) a concession, permit, license, or other similar decision on the basis of which the Borrower engages in business or a significant part thereof loses its validity;
- (s) the Borrower or Obligor fail to perform or improperly perform their duty to repay their liabilities to third parties, if the value of a non-performed or improperly performed liability is, in the Bank's opinion, important in order to assess the Borrower's Credit Rating;
- (t) the real value of any collateral acquired by the Bank has dropped, or the Borrower, or any third party who has provided the collateral, breaches any important terms of the agreement on the basis of which the collateral was established;
- (u) the Borrower fails to provide the Bank, on its demand, with additional collateral for the repayment of the Credit if, in the Bank's opinion, there is a danger that the Borrower's debt will not be paid fully or punctually, and/or any of the circumstances mentioned in §14 point 1 of the Regulations occur;
- (v) the Borrower fails to discharge any financial obligation resulting from a lawful verdict by a court or other body entitled to issue enforceable decisions subject to execution by means of state resources;
- (w) the Borrower violates the laws associated with counteracting money laundering, financing of terrorism, observing sanction laws or sanctions which the Bank is obliged to apply as a member of the BNP Paribas capital group, or the Bank learns, based on credible information, that the Borrower is using the Bank's operations to perform criminal acts or conduct activities associated with criminal acts;

2. If an Event of Default occurs, the Bank may, at its discretion:

- (a) withhold payment of the unpaid portion of the Credit or a part of this portion, and terminate with immediate effect the Borrower's right to withdraw funds from the Credit;
- (b) demand additional collateral for the repayment of liabilities under the Agreement by transferring funds to the Bank's account under the terms of article 102 of the Banking Act;
- (c) demand the presentation of a recovery programme within a specified deadline, and the realization thereof after it has been approved by the Bank;

- (d) terminate the Agreement in whole or in part, with 30 days' notice - or 7 days' notice if the Bank detects a danger of the Borrower's insolvency – counting from the day on which notice of termination of the Agreement was delivered. The Borrower is obliged to repay the Credit, with interest, and with any other amounts due to the Bank under the terms of the Agreement, no later than by the last Working Day of the notice period;
 - (e) in a situation where a part or the whole of the Credit has not been withdrawn, for serious reasons the Bank may reduce the amount of the Credit granted;
3. The Parties agree that the date of delivery of a notice of termination shall also be deemed to be the date of first certification of a registered letter that was not delivered and sent to the Borrower's latest address known to the Bank, or to an address disclosed in the register of entrepreneurs.
 4. If the debt remains unpaid during the period of notice, it becomes an overdue debt on which the Bank shall collect interest under the terms of §6 point 12 of the Regulations.
 5. Termination of the Agreement entitles the Bank, on the day following the end of the notice period, to deduct its claims from all the Borrower's accounts held at the Bank, including term deposits, regardless the duration thereof. This does not apply to claims seized under of execution proceedings.

§ 15. EVIDENCE AND CALCULATIONS

1. The accounting books held by the Bank in connection with the Agreement are decisive evidence of the facts to which they relate.
2. In the absence of obvious errors, any calculations by the Bank of the amount of interest or amounts set forth in the Agreement are decisive evidence of the matters to which they relate.

§ 16. NOTIFICATIONS

1. Notifications between the Bank and the Borrower under or in connection with this Agreement shall be in writing or electronically in the form of a letter, fax, or by electronic means.
2. Notifications made in compliance with point 1 above, but received on a day other than a Working Day or after the Bank's business hours, shall be deemed to be delivered on the following Working Day.
3. Notifications shall be sent to the addresses of the parties stated in the Agreement, or to any other address indicated by the Party with not less than seven (7) Working Days.
4. All notifications under or in connection with this Agreement shall be deemed delivered:
 - (a) on the date of delivery – if delivered by courier;
 - (b) on the date on which the recipient confirms effective transmission – if sent by fax or by electronic means;
 - (c) on the day of receipt of the letter or notice of delivery – if sent by registered mail or by mail with proof of delivery.
5. (repealed)

§ 17. GOVERNING LAW AND ARBITRATION

1. The Agreement shall be governed and construed in accordance with Polish law.
2. All disputes arising under or in connection with this Agreement shall be resolved by the court appropriate to the branch of the Bank which granted the Credit.

§ 18. REGULATIONS REGARDING SANCTION LEGISLATION

1. The Borrower represents and warrants the Bank that as at the date of the Agreement and the date of submitting each order:
 - a) the Borrower, the Entity Establishing the Collateral and its/their subsidiaries or parent entities, its/their undertakings, members of its/their authorities, remain compliant with the sanction legislation,
 - b) none of the entities listed in section (a) above:
 - (i) is either an entity subject to the Sanction Legislation or participates in a transaction because of which it may very likely be considered an entity subject to the Sanction Legislation; or
 - (ii) is either subject to or participates in any proceedings or investigation conducted against it/them in connection with the Sanction Legislation, or has/have been involved in the sanction legislation circumvention or evasion practice,
 - (iii) has either a registered office or branch in the country or in the territory which (or whose government) is subject to the sanction legislation which prohibit maintaining relationship with this government, country or territory.
2. The Borrower additionally undertakes that, until the full repayment of all receivables due to the Bank, the funds obtained under any risk-bearing product will neither be available, whether directly or indirectly, to a sanctioned entity nor will be used by a sanctioned entity to reach benefits.
3. The Bank shall not be held liable for any damage caused by any delay or refusal to execute, blockade or freeze of the order or any payment, failure to return documents or other actions arising from the Bank's compliance with the sanction legislation.

§ 19 DECLARATIONS CONCERNING ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) RISK

1. The Borrower hereby declares that to its best knowledge:
 - (a) the Borrower's activity for which the funds from the Credit are intended is pursued in accordance with appropriate domestic and local laws, the laws of European Union, international conventions and international treaties in which Poland is a party, concerning environmental and social issues and issues associated with governance, including laws concerning protection of the environment, employment, work safety and hygiene;
 - (b) he has received and holds all necessary permits required in accordance with the laws concerning environment and social issues and issues associated with governance in connection with the business activity pursued by him;

- (c) the Borrower, its business activity, operations or fixed assets are not a subject of a court dispute or actions undertaken to protect the environment, employment, work safety and hygiene or social issues by any government body.
2. The Borrower is obliged to inform the Bank about all serious social, environmental events and events associated with governance, in particular, such as:
 - (a) fatal accidents of employees associated with the Borrower's activities
 - (b) any occurrence of environmental damage within the meaning of the Environmental Protection Act.
 3. The Bank has the right to demand that the Borrower present documents and information concerning compliance with the law as regards environmental and social issues and issues associated with governance, and to conduct an audit on site to assess environmental and social activities and activities associated with governance.
 4. The Bank declares that it pursues its business activity on the basis of values and guidelines reflecting the Bank's commitments towards human rights, fundamental freedoms and natural environment. The Bank wishes to cooperate with customers whose business practices and management methods indicate a high degree of responsibility in this regard. These principles are reflected in the BNP Paribas Responsible Business Principles which can be found at the address: www.bnpparibas.pl/csr/strategia-csr.
 5. The Bank declares that the following may not be financed from the credit:
 - (a) transactions associated with:
 - (i) controversial weapons (controversial types of weapons bearing uncontrolled consequences and causing unnecessary losses and injuries, which include, in particular: cluster munitions, anti-personnel mines, chemical weapons, biological weapons, nuclear weapons, depleted uranium weapons)
 - (ii) production, trade or use of gillnets whose length exceeds 2.5 km
 - (iii) production of asbestos fibres,
 - (iv) production and sale of products containing PCB (polychlorinated biphenyls),
 - (v) trade in endangered species of plants or animals covered by CITES and not holding a permit
 - (b) directly or indirectly transactions, projects or parties engaged in forced labour (including slave labour or child labour),
 - (c) transactions or projects which may have a permanent, negative impact on the natural environment.

§ 20. MISCELLANEOUS PROVISIONS

1. These Regulations constitute an integral part of the Agreement. In the event of any differences between the Regulations and the Agreement, the provisions of the Agreement shall prevail.
2. In the event of a temporary non-fulfilment by the Bank of any of the rights to which it is entitled under the Regulations, Agreement or agreement on collaterals, this in no case shall mean the Bank's waiver of the rights ensuing from such provision.
3. Any numbers of the accounts set forth in the Agreement may change in line with Bank decisions, of which the Borrower shall be informed in writing or with use of Electronic Signature. Changes in account numbers do not constitute an amendment to the Agreement.

4. These Regulations have been prepared in the Polish language. If the Regulations are also prepared in English version, the Polish version shall prevail.
5. Should any of the provisions of the Regulations or Agreement or agreements on collateral cease to be valid, the remaining provisions shall remain binding for the Parties.
6. Should the Bank not perform any provision of the Agreement or Regulations, this shall not be taken to mean that the Bank has waived its rights under the provision in question.
7. Changes made by the Bank concerning §6 point. 8 do not require written form and may be effected by notifying the Borrower of their contents by means of a notice displayed at the Bank's registered office/branch.

§ 21 AMENDMENTS TO THE REGULATIONS

1. Should the Bank introduce new regulations in lieu of these Regulations or amend individual provisions of the Regulations, the Bank shall send the Borrower the new regulations or the text of the amended provisions thereof.
2. Unless, within 14 days, the Borrower provides the Bank with a written declaration that he does not accept the new regulations or amendments to the Regulations, the new regulations or amendments to the Regulations shall be deemed to have been accepted by the Borrower and are henceforth binding upon the Bank and the Borrower.
3. Should the Borrower not accept the new regulations or amended regulations, he may repay early the entire outstanding amount of the Credit, without an obligation to pay the commission discussed in §6.13 letter c). Should the Borrower not repay the Credit earlier within one month of not accepting the new Regulations or change of the Regulations, the Bank may terminate the Agreement.
4. These Regulations come into force as of 15 December 2021.

BMR Appendix**§1**

This Schedule 1 to the Regulations, which constitutes integral part thereof, hereinafter referred to as the “**Rules**”, constitutes the rules of operation by the Bank in the case of temporary or permanent cessation of the provision of the Variable Base Interest Rate or change to the method of its calculation, as well as in other cases listed in § 6.5 of the Regulations.

§2

Capitalized terms used in the Rules which are not defined in the Agreement shall have the meaning defined below:

1. **Administrator** means the entity that has control over the provision of the Benchmark,
2. **BMR** means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014, as amended,
3. **Replacement Day** means:
 - a. if the Announcement on the Lack of License occurs, the later of:
 - i. the first day following the 15 Business Day period after the Announcement on the Lack of License, or
 - ii. the first day in which the Current Rate may not be lawfully applied to agreements specified in the BMR,
 - b. if the Announcement on the Cessation of Publication occurs, the later of:
 - i. the first day following the 15 Business Day period after the Announcement on the Cessation of Publication, or
 - ii. the first day on which the Benchmark has not been published in connection with the Announcement on the Cessation of Publication,
 - c. in the case of the Cessation of Representativeness, the later of:
 - i. the first day following the 15 Business Day period after the Announcement on the Cessation of Representativeness, or
 - ii. the first day on which the Current Rate has ceased to be representative in accordance with the Announcement on the Cessation of Representativeness,
4. **Working Group** means a working group, nominated by, operating under the supervision of or with the participation of public authorities or market regulators, preparing the proposal for the replacement of the Current Rate,
5. **ISDA** means International Swaps and Derivatives Association, Inc.,

6. **Adjustment** means positive, negative or zero value and/or formula or calculation methodology to be applied in accordance herewith in order to limit or eliminate the economic effects of replacing the Current Rate with the Alternative Rate. The adjustment may include calculation method (in particular, daily compounding, averaging or adding of a series of overnight benchmarks over a period for which interest is calculated) and/or other amendments related to the substitution of the Current Rate.
7. **CCP** means the authorised central counterparty, through which the Bank clears transactions, which uses the Variable Base Interest Rate and hedge the risk of its changes, e.g. LCH Ltd. or KDPW_CCP,
8. **LMA** means Loan Market Association,
9. **Appointing Entity** means the European Commission, any relevant authority supervising the Administrator, the Administrator, authorized public authority or any other entity authorized in accordance with applicable laws to recommend or nominate the Alternative Rate and the Adjustment,
10. **Bloomberg Rule Book** means the up-to-date „IBOR Fallback Rate Adjustments Rule Book” or another rule book which will replace it,
11. **Alternative Rate** means the Variable Base Interest Rate (which is the benchmark under the BMR) replacing the Current Rate in the Fallback Event, established in accordance with the Regulations.
12. **Current Rate** means the Variable Base Interest Rate applicable prior to the occurrence of the Fallback Event,
13. **Fallback Event** means one of the following events:
 - a. a credible source provides public information that the Variable Base Interest Rate will not be registered or no decision on its equivalence will be issued or the Administrator has not received or will not receive a relevant permit or registration for the provision of the Variable Base Interest Rate or such permit or registration for the provision of the Variable Base Interest Rate has been revoked or suspended (the “**Announcement on the Lack of License**”),
 - b. the Appointing Entity provides public information that the Administrator has permanently ceased to or is to permanently cease to publish the Variable Base Interest Rate if, until the date of such information no replacement entity is specified for the Administrator which would continue to calculate or publish the Variable Base Interest Rate (the “**Announcement on the Cessation of Publication**”),
 - c. the Appointing Entity provides public statement that the Variable Base Interest Rate is no longer representative or will cease to be representative for its underlying market and for the economic reality it was supposed to measure (or will stop being representative) and that it is not possible to make Variable Base Interest Rate representative again (the “**Announcement on the Cessation of Representativeness**”),
 - d. the Variable Base Interest Rate is not published due to reasons other than connected with the Regulatory Event (the “**Temporary Lack of Publication**”),
14. **Benchmark** means a benchmark as defined in BMR,
 - a. **Regulatory Event** means the Announcement on the Lack of License, the Announcement on the Cessation of Publication and/or the Announcement on the Cessation of Representativeness.

§3

1. The Bank will establish the Alternative Rate and the Adjustment in accordance with §5 - §11 from the first Interest Period falling on the Replacement Day or after that day, for the remainder of the term of the Agreement, subject to other provisions of this paragraph.
2. If during the period from the Regulatory Event date to the Replacement Day no Current Rate has been published or it may not be lawfully used – the Alternative Rate and the Adjustment are applied starting from the first Interest Period after the occurrence of the Regulatory Event. In such case, the Bank shall establish the Alternative Rate and the Adjustment as at the Replacement Day again.
3. Following the occurrence of the Regulatory Event, the Alternative Rate and the Adjustment are applied irrespective of the later cessation of the grounds for the replacement of the Current Rate.
4. A change of the method of calculation of the Variable Base Interest Rate announced by the Administrator, including a change that is deemed material in accordance with BMR, shall not constitute a Fallback Event or grounds for amending the Agreement.

§4

In the event of the Temporary Lack of Publication, the Bank uses the last available value of the Variable Base Interest Rate before the day of the Temporary Lack of Publication. If during the time of the Temporary Lack of Publication the Regulatory Event occurs, the provisions applicable to the Regulatory Event shall be applied.

§5

1. If a Regulatory Event related to LIBOR or EURIBOR occurs, the Bank shall first apply the fallback solutions described in §6 and §12. In the case where the fallback solutions described in §6 cannot be applied, the fallback solutions described in §7 - §12 shall apply.
2. If a Regulatory Event related to the Base Rate other than LIBOR and EURIBOR occurs, the fallback solutions described in §7 - §12 shall apply.

§6

1. If a Regulatory Event related to LIBOR for currencies specified below occurs, the Bank shall apply as the Alternative Rate the RFR in the currency of the Current Rate:
 - 1) for GBP LIBOR (LIBOR for pound sterling) – SONIA,
 - 2) for USD LIBOR (LIBOR for United States dollar) – SOFR,after its modification in accordance with section 3.
2. If a Regulatory Event related to EURIBOR occurs, the Bank shall apply as the Alternative Rate €STR after its modification in accordance with section 3.
3. The Bank shall modify the RFR from the overnight rate to the rate applicable to a period equal to the tenor (period) of the Current Rate. The modification is made by the Bank in the manner based on one of the methodologies used on the market:
 - 1) methodology proposed by ISDA for derivative transactions in accordance with the Bloomberg Rule Book,
 - 2) one of the methodologies proposed by LMA for loan agreements,

- 3) other related methodology, e.g. providing for obtaining of a term rate based on arithmetic or geometric average of the RFRs over a given period.
4. The Bank shall choose the methodology taking into account its technical and IT capabilities and the development and specifics of the local market. The Bank can introduce adjustments to the methodology resulting from IT solutions adopted by the Bank (e.g. regarding convention of working days, RFR observation period shift or rounding).
5. The Bank shall apply the Adjustment calculated in accordance with §12 to the Alternative Rate.
6. If a Regulatory Event related to CHF LIBOR occurs, the Bank shall apply the solutions consistent with the Commission Implementing Regulation (EU) 2021/1847 of 14 October 2021 on the designation of a statutory replacement for certain settings of CHF LIBOR, i.e:
 - 1) for 1M CHF LIBOR– applies SARON 1 month Compound Rate (SAR1MC, ISIN CH0477123886) as the Alternative Rate and adds to it the Adjustment in the value of -0.0571 percentage point;
 - 2) for 3M CHF LIBOR– applies SARON 3 months Compound Rate (SAR3MC, ISIN CH0477123902) as the Alternative Rate and adds to it the Adjustment in the value of 0.0031 percentage point;
 - 3) for 6M CHF LIBOR – applies SARON 3 months Compound Rate (SAR3MC, ISIN CH0477123902) as the Alternative Rate and adds to it the Adjustment in the value of 0.0741 percentage point;
 - 4) for 1Y CHF LIBOR – applies SARON 3 months Compound Rate (SAR3MC, ISIN CH0477123902) as the Alternative Rate and adds to it the Adjustment in the value of 0.2048 percentage point.

§7

If the Regulatory Event occurs, the Bank shall apply the Alternative Rate and the Adjustment nominated by the Appointing Entity provided that the nomination related to the type of clients which includes the Customer and to the type of arrangements which includes the Agreement. If the Appointing Entity does not nominate the Adjustment (nor does it indicate that the Adjustment shall not be applied), the Adjustment shall be established in accordance with §12.

§8

In the case where the fallback solutions described in §7 cannot be applied, the Bank shall apply the Alternative Rate and the Adjustment nominated by the central bank for the currency of the Base Rate provided that the nomination related to the type of clients which includes the Customer and to the type of arrangements which includes the Agreement. If the central bank for the currency of the Variable Base Interest Rate does not nominate the Adjustment (nor does it indicate that the Adjustment shall not be applied), the Adjustment shall be established in accordance with §12.

§9

In the case where the fallback solutions described in §7 - §8 cannot be applied, the Bank shall apply the Alternative Rate and the Adjustment nominated by the Working Group provided that the nomination related to the type of clients which includes the Customer and to the type of arrangements which includes the Agreement. If the Working Group does not nominate the Adjustment (nor does it indicate that the Adjustment shall not be applied), the Adjustment shall be established in accordance with §12.

§10

In the case where the fallback solutions described in §7 - §9 cannot be applied, the Bank shall apply the Alternative Rate and the Adjustment as applied by the CCP for the Benchmark which is the same as the Variable Base Interest Rate.

§11

In the case where the fallback solutions described in §7 - §10 cannot be applied, the Bank shall apply as the Alternative Rate the reference rate of the central bank for the currency of the Variable Base Interest Rate. The Bank applies the Adjustment established in accordance with §12.

§12

1. This §12 shall apply unless the provisions of the Rules provide otherwise.
2. The method of calculating the Adjustment is analogous to the adjustment methodology of the Bloomberg Rule Book, i.e. the Adjustment is calculated as the median difference between the Current Rate and the Alternative Rate for the period of 5 years (or shorter, if the Current Rate or the Alternative Rate has been calculated for the shorter period) preceding the Regulatory Event (subject to the application of detailed solutions as provided in that regard under the Bloomberg Rule Book).
3. The Bank adds the Adjustment to the Alternative Rate.

§13

If the Regulatory Event occurs, the Bank will provide the Borrower with the information on the applied fallback, the established Alternative Rate and its value, and, if applicable, the information on the applied Adjustment. The information shall be provided in the way specified for notifications under the Agreement. The Bank will publish information regarding the establishment of the Alternative Rate and the adjustment on the website of the Bank www.bnpparibas.pl.

§14

Following permanent replacement of the Current Rate with the Alternative Rate, the provisions of the Agreement and the Rules which apply to the Variable Base Interest Rate and to the Current Rate shall be applied accordingly to the Alternative Rate and the Adjustment.

BMR Appendix
Calculation of the Compounded RFR Rate

This Schedule 2 to the Regulations, which constitutes integral part thereof, hereinafter referred to as the “**Schedule**”, describes the method of calculating the Compounded RFR Rate.

Capitalized terms used in the Schedule shall have the meaning defined in the Regulations and the Agreement, unless otherwise defined in this Schedule.

Chapter 1 of the Schedule – contains general description of the rules for calculating the Compounded RFR Rate for the purposes of providing a better presentation of the rules.

Chapter 2 of the Schedule – contains detailed rules for calculating the Compounded RFR Rate. The rules described in Chapter 2 shall prevail in the case of any discrepancies with Chapter 1.

Chapter 1. General description of the rules for calculating the Compounded RFR Rate

§ 1

1. The Compounded RFR Rate is calculated on the basis of daily RFRs for a given Interest Period. As a consequence, in order to determine the interest for the Credit/Loan in respect of a given Interest Period, it is necessary to determine all RFRs for the Interest Period.
2. In order to determine the Compounded RFR Rate sufficiently early to allow for the timely payment of the interest, the period during which the value of the RFR is observed (the Observation Period) is moved backwards in relation to the Interest Period by the Lookback Period (5 RFR Banking Days unless the Agreement provides for a shorter period). As a result, the amount of the interest due in relation to the Interest Period is known at the end of the Observation Period which falls before the end of the Interest Period and before the interest payment date.
3. The value of the Compounded RFR Rate is determined separately for each day of the Interest Period.
4. In order to determine the Compounded RFR Rate based on which the interest for a given day of the Interest Period that is the RFR Banking Day (**RFR Banking Day “i”**) accrues, three steps must be completed,

Step 1: calculating the Annualised Cumulative Compounded Daily Rate for the RFR Banking Day “i”

5. In order to determine the Compounded RFR Rate for the RFR Banking Day „i”, consecutive values of the RFR from the Observation Period are compounded during the period corresponding to the period from the beginning of a given Interest Period to the RFR Banking Day „i” (it corresponds to although it is not the same as compounded interest – in this case, the interest rate calculated as of the previous day constitutes the basis for the application of the RFR from the next day and in this way the value of the Annualised Cumulative Compounded Daily Rate is compounded).

6. Annualised Cumulative Compounded Daily Rate is not compounded on days that are not RFR Banking Days. Instead, the value of the RFR from the last RFR Banking Day has a greater weight for the purposes of compounding that corresponds to the period of its use (e.g. RFR for Friday is multiplied by 3 – for Friday, Saturday and Sunday, while the RFR for Thursday is multiplied by 1 – for Thursday).
7. There are two methods of compounding, depending on the period which is used for the purposes of determining the RFR Banking Days:
 - 1) without observation shift – days from the Interest Period are used for the purposes of determining the RFR Banking Days;
 - 2) with observation shift – days from the Observation Period (which is the Interest Period moved backwards by the Lookback Period) are used for the purposes of determining the RFR Banking Days.
8. Depending on the terms of the Agreement, one of the methods described in section 7 and, as a result, corresponding provisions of Chapter 2 are used.
9. Annualised Cumulative Compounded Daily Rate is rounded to:
 - 1) four (4) decimal places, if it is based on SONIA or SARON; or
 - 2) five (5) decimal places, if it is based on SOFR.

Step 2: calculating the Unannualised Cumulative Compounded Daily Rate for the RFR Banking Day „i”

10. Annualised Cumulative Compounded Daily Rate for the RFR Banking Day „i” is multiplied by appropriate proportion in order to obtain the Unannualised Cumulative Compounded Daily Rate for the RFR Banking Day „i”.

Step 3: calculating the Compounded RFR Rate for the RFR Banking Day „i” (annualised)

11. The Unannualised Cumulative Compounded Daily Rate for the previous RFR Banking Day is subtracted from the Unannualised Cumulative Compounded Daily Rate for the RFR Banking Day „i”. The result is multiplied by appropriate proportion in order to obtain the Compounded RFR Rate (annualised) for the day of the Interest Period that is the RFR Banking Day „i”. As a result, the Compounded RFR Rate for a given day of the Interest Period is determined.
12. In the case where a given day of the Interest Period is not a RFR Banking Day, the Compounded RFR Rate for that day is equal to the Compounded RFR Rate for the first RFR Banking Day preceding that day of the Interest Period.
13. In the case where the Compounded RFR Rate for a given day is lower than zero, it is deemed that the Compounded RFR Rate for that day is equal to zero. In the case of concluding a derivative transaction hedging the interest rate risk, other than an interest rate CAP option, for the amount of the capital of the credit/loan secured by that transaction and in the period that the transaction remains in force, restriction as referred to in the preceding sentence shall not apply.

Chapter 2. Detailed rules of calculating the Compounded RFR Rate

§ 2

[Common definitions]

Capitalized terms used in the Schedule and not defined in the Regulations and the Agreement, shall have the following meaning:

1. **RFR Banking Day** means any day except for:
 - a. Saturday and Sunday,
 - b. any other day during which banks in the country of the currency of the RFR are closed for their regular activity,
2. **Lookback Period** means 5 RFR Banking Days unless the Agreement specifies a different Lookback Period.
3. **RFR** means the RFR specified in the Agreement based on which the Compounded RFR Rate is calculated.

§ 3

[Rules for calculating the Compounded RFR Rate in accordance with the method without observation shift]

1. The provisions of this § 3 shall apply if the Agreement specifies that the method without observation shift applies.
2. **Step 1: calculating the Annualised Cumulative Compounded Daily Rate for a day in the Interest Period that in the RFR Banking Day**

The Annualised Cumulative Compounded Daily Rate for a given day in the Interest Period that is the RFR Banking Day (RFR Banking Day „i“) is the percentage rate per annum (rounded to: (a) four (4) decimal places, if it is based on SONIA or SARON or (b) five (5) decimal places, if it is based on SOFR) calculated as set out below:

$$SSRFR_{ipa} = \left[\prod_{i=1}^{d_0} \left(1 + \frac{RFR_{i-OP} \times n_i}{bo} \right) - 1 \right] \times \frac{bo}{tn_i}$$

where:

“**SSRFR_{ipa}**” means the Annualised Cumulative Compounded Daily Rate for the RFR Banking Day „i“;

“**d₀**” means the number of RFR Banking Days in the Cumulation Period;

“**Cumulation Period**” means the period from, and including, the first RFR Banking Day of that Interest Period to, and including, the RFR Banking Day „i“;

„i” means a series of whole numbers from one to d₀, each representing the relevant RFR Banking Day in chronological order in the Cumulation Period;

“**RFR_{i-OP}**” means, for any RFR Banking Day „i” in the Cumulation Period, the RFR for the RFR Banking Day which is the applicable Lookback Period prior to that RFR Banking Day „i“;

“**n_i**” means, for any RFR Banking Day „i” in the Cumulation Period, the number of calendar days from, and including, that RFR Banking Day „i” up to, but excluding, the following RFR Banking Day (in the periods without holidays it will be 1 for Monday, Tuesday, Wednesday, Thursday and 3 for Friday, and in case of holidays the value will be increased by 1 for each day that is a holiday);

“**bo**” means 360, unless the RFR is SONIA, where “**bo**” is 365;

“**tn_i**” means the number of calendar days from, and including, the first day of the Cumulation Period to, but excluding, the RFR Banking Day which immediately follows the last day of the Cumulation Period.

3. **Step 2: calculating the Unannualised Cumulative Compounded Daily Rate for the RFR Banking Day „i”**

The Unannualised Cumulative Compounded Daily Rate for the RFR Banking Day „i” is the percentage calculated as set out below (with possible rounding resulting from the IT systems of the Bank):

$$SSRFR_i = SSRFR_{ipa} \times \frac{tn_i}{bo}$$

where:

“**SSRFR_i**” means Unannualised Cumulative Compounded Daily Rate for the RFR Banking Day „i”;

“**SSRFR_{ipa}**” has the meaning given to that term above;

“**tn_i**” has the meaning given to that term above;

“**bo**” has the meaning given to that term above.

4. Step 3: calculating the Compounded RFR Rate for the RFR Banking Day “i” (annualised)

The Compounded RFR Rate for the RFR Banking Day “i” in the Interest Period is the percentage rate per annum (with possible rounding resulting from the IT systems of the Bank) calculated as set out below:

$$SRFR = (SSRFR_i - SSRFR_{i-1}) \times \frac{bo}{n_i}$$

where:

“**SRFR**” means the Compounded RFR Rate for the RFR Banking Day “i” in the Interest Period, annualised;

“**SSRFR_i**” has the meaning given to that term above;

“**SSRFR_{i-1}**” means, in relation to the RFR Banking Day “i”: (a) the Unannualised Cumulative Compounded Daily Rate for the immediately preceding RFR Banking Day (if any) during that Interest Period (if such day exists) or (b) zero (if such day does not exist);

“**bo**” has the meaning given to that term above;

“**n_i**” means the number of calendar days from, and including, the RFR Banking Day “i” up to, but excluding, the following RFR Banking Day (in the periods without holidays it will be 1 for Monday, Tuesday, Wednesday, Thursday and 3 for Friday, and in case of holidays the value will be increased by 1 for each day that is a holiday).

5. In the case where a given day of the Interest Period is not a RFR Banking Day, the Compounded RFR Rate for that day is equal to the Compounded RFR Rate for the first RFR Banking Day preceding that day of the Interest Period.
6. In the case where the Compounded RFR Rate for a given day is lower than zero, it is deemed that the Compounded RFR Rate for that day is equal to zero. In the case of concluding a derivative transaction hedging the interest rate risk, other than an interest rate CAP option, for the amount of the capital of the credit/loan secured by that transaction and in the period that the transaction remains in force, restriction as referred to in the preceding sentence shall not apply.

§ 4

[Rules for calculating the Compounded RFR Rate in accordance with the method with observation shift]

7. The provisions of this § 4 shall apply if the Agreement specifies that the method with observation shift applies.
8. **Step 1: calculating the Annualised Cumulative Compounded Daily Rate for a day in the Interest Period that in the RFR Banking Day**

The Annualised Cumulative Compounded Daily Rate for a given day in the Interest Period that is the RFR Banking Day (RFR Banking Day “i”) is the percentage rate per annum (rounded to: (a) four (4) decimal places, if it is based on SONIA or SARON or (b) five (5) decimal places, if it is based on SOFR) calculated as set out below:

$$SSRFR_{ipa} = \left[\prod_{i=1}^{d_0} \left(1 + \frac{RFR_i \times n_i}{bo} \right) - 1 \right] \times \frac{bo}{tn_i}$$

where:

"**SSRFR_{ipa}**" means the Annualised Cumulative Compounded Daily Rate for the RFR Banking Day "i";

"**d₀**" means the number of RFR Banking Days in the OP Cumulation Period;

"**OP Cumulation Period**" means the period from, and including, the Corresponding OP Day for the first day of the IP Cumulation Period to, and including, the Corresponding OP Day for the last day of the IP Cumulation Period;

"**Corresponding OP Day**" means, in relation to any RFR Banking Day "**bd**" during that Interest Period, the RFR Banking Day which:

(a) is in the Observation Period; and

(b) falls the applicable Lookback Period prior to that RFR Banking Day "**bd**";

"**Observation Period**" means the period from and including the day falling the applicable Lookback Period prior to the first day of that Interest Period and ending on, but excluding, the day falling the applicable Lookback Period prior to the last day of that Interest Period;

"**IP Cumulation Period**" means the period from, and including, the first RFR Banking Day of that Interest Period to, and including, the RFR Banking Day "i";

"i" means a series of whole numbers from one to d₀, each representing the relevant RFR Banking Day in chronological order in the OP Cumulation Period;

"**DailyRate_i**" means, for any RFR Banking Day "i" in the OP Cumulation Period, the RFR for that RFR Banking Day "i";

"**n_i**" means, for any RFR Banking Day "i" in the OP Cumulation Period, the number of calendar days from, and including, that RFR Banking Day "i" up to, but excluding, the following RFR Banking Day (in the periods without holidays it will be 1 for Monday, Tuesday, Wednesday, Thursday and 3 for Friday, and in case of holidays the value will be increased by 1 for each day that is a holiday);

"**bo**" means 360, unless the RFR is SONIA, where "**bo**" is 365;

"**tn_i**" means the number of calendar days from, and including, the first day of the OP Cumulation Period to, but excluding, the RFR Banking Day which immediately follows the last day of the OP Cumulation Period.

9. Step 2: calculating the Unannualised Cumulative Compounded Daily Rate for the RFR Banking Day "i"

The Unannualised Cumulative Compounded Daily Rate for the RFR Banking Day "i" is the percentage calculated as set out below (with possible rounding resulting from the IT systems of the Bank):

$$SSRFR_i = SSRFR_{ipa} \times \frac{tOSn_i}{bo}$$

where:

"**SSRFR_i**" means Unannualised Cumulative Compounded Daily Rate for the RFR Banking Day "i";

"**SSRFR_{ipa}**" has the meaning given to that term above;

"**tOSn_i**" means the number of calendar days from, and including, the first day of the IP Cumulation Period to, but excluding, the RFR Banking Day which immediately follows the last day of the IP Cumulation Period;

"**bo**" has the meaning given to that term above.

10. Step 3: calculating the Compounded RFR Rate for the RFR Banking Day "i" (annualised)

The Compounded RFR Rate for the RFR Banking Day "i" in the Interest Period is the percentage rate per annum (with possible rounding resulting from the IT systems of the Bank) calculated as set out below:

$$SRFR = (SSRFR_i - SSRFR_{i-1}) \times \frac{bo}{OSn_i}$$

where:

"**SRFR**" means the Compounded RFR Rate for the RFR Banking Day "i" in the Interest Period, annualised;

"**SSRFR_i**" has the meaning given to that term above;

"**SSRFR_{i-1}**" means, in relation to the RFR Banking Day "i": (a) the Unannualised Cumulative Compounded Daily Rate for the immediately preceding RFR Banking Day (if any) during that Interest Period (if such day exists) or (b) zero (if such day does not exist);

"**bo**" has the meaning given to that term above;

"**OSn_i**" means the number of calendar days from, and including, the RFR Banking Day "i" up to, but excluding, the following RFR Banking Day (in the periods without holidays it will be 1 for Monday, Tuesday, Wednesday, Thursday and 3 for Friday, and in case of holidays the value will be increased by 1 for each day that is a holiday).

11. In the case where a given day of the Interest Period is not a RFR Banking Day, the Compounded RFR Rate for that day is equal to the Compounded RFR Rate for the first RFR Banking Day preceding that day of the Interest Period.
12. In the case where the Compounded RFR Rate for a given day is lower than zero, it is deemed that the Compounded RFR Rate for that day is equal to zero. In the case of concluding a derivative transaction hedging the interest rate risk, other than an interest rate CAP option, for the amount of the capital of the credit/loan secured by that transaction and in the period that the transaction remains in force, restriction as referred to in the preceding sentence shall not apply.