

# Private loan product terms and conditions

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## Application

1. The product terms and conditions apply to any agreement referring to the product terms and conditions.

## Client's confirmation

2. The client permits the bank to forward their personal data and information on the collateral to insurance providers, brokers and agents during the current and each new insurance period to allow them to make insurance offers as well as conclude and perform insurance agreements.

## Loan disbursement

3. The loan disbursement application must be submitted by at least one of the clients.
4. The bank does not have to disburse the loan if at least one of the following circumstances occurs:
  - 4.1. the bank is entitled to cancel the agreement or refuse to disburse the loan under the agreement or the law;
  - 4.2. information presented to the bank is incorrect or insufficient or needs additional verification;
  - 4.3. the bank has received a claim to seize any of the client's accounts or AS SEB Liising has received a claim to seize the rights arising from a lease agreement;
  - 4.4. the client or the provider of collateral breaches any agreement with the bank or any statutory obligation;

- 4.5. the ratio of obligations secured with a pledge to the value of the pledged assets is not as agreed;
- 4.6. the pledge agreement of collateral has not been submitted to the register (land register, Estonian Central Register of Securities etc.) or there is an entry or source document in the register that the bank was unaware of;
- 4.7. there is a material error in the agreement or collateral agreement;
- 4.8. the collateral is subject to the right of pre-emption;
- 4.9. the client's creditworthiness has deteriorated compared to the time of concluding the agreement or its annex;
- 4.10. at least one client has submitted a withdrawal notice to the bank.

## Income and transactions

5. The bank may demand that the client's entire income is transferred to the client's account at the bank and that the transactions are made via the bank.

## Loan repayment

### General provisions

6. The client shall pay the entire outstanding loan and unpaid interest to the bank no later than on the loan repayment date.
7. If the bank has not started to disburse the loan by the first payment date, the client shall begin to repay the loan on the payment date following the disbursement.
8. The amount and number of payments under the agreement may change if the bank disburses the loan after the date of entry into force of the agreement.
9. The client does not make loan payments during the grace period, but pays interest payments.

### Annuity payments

10. In the case of an annuity schedule, the client pays to the bank on each payment date an equal amount comprising the loan payment and the interest payment.
11. The bank calculates a new annuity payment when:
  - 11.1. the interest rate, payment date or loan repayment date changes;
  - 11.2. the next part of the loan is disbursed; or
  - 11.3. the client repays a part of the loan to the bank before the loan repayment date.
12. Upon change of the interest rate, the bank informs the client of the new amount of the annuity payment.

### Equal loan payments

13. In the case of a schedule with equal loan payments, the client shall pay to the bank an equal loan payment on each payment date.
14. The bank calculates a new loan payment when:
  - 14.1. the loan repayment date changes;
  - 14.2. the next part of the loan is disbursed; or
  - 14.3. the client repays a part of the loan to the bank before the loan repayment date.
15. Interest is added to the loan payments.

## Collateral

16. The bank may release or end a collateral securing the agreement without the client's consent.
17. An obligation secured by a collateral is the bank's principal claim or collectable collateral claim arising from an agreement secured by collateral or created in the future. Collateral is property that is pledged pursuant to an agreement of the client and the bank under a loan or pledge agreement.
18. The ratio of obligations secured with a pledge to the value of the pledged assets may not exceed 70%. If the ratio exceeded 70% as the agreement came into force and later during the agreement's validity dropped under 70%, it may not exceed 70% again.
19. The collateral value is assessed by either the bank or an appraiser accepted by the bank.
20. The client shall provide additional collateral at the bank's request when

- 20.1. the financial situation of a surety or guarantor has deteriorated calling into doubt performance of their obligations;
- 20.2. the surety dies or the guarantor is liquidated;
- 20.3. the ratio of obligations secured with a pledge to the value of the pledged assets is not as agreed;
- 20.4. registration of the pledge or other similar operation fails for any (incl. technical) reason.

## Insurance

21. Insurance of the collateral must cover the risk of natural disasters, fire, water damage and vandalism within the reinstatement value of the property.
22. The insurance agreement must indicate the bank as the beneficiary and, in the case of a mortgage loan, also the mortgagee.
23. The client shall present to the bank the insurance policy or certificate or a copy of the insurance agreement no later than
  - 23.1. within seven days after concluding the collateral agreement;
  - 23.2. within five days before each new insurance period.
24. At the bank's request, the client shall present to the bank the original of the insurance agreement or another document related to insurance.
25. If the insured collateral does not belong to the client, the client is liable to the bank for performing insurance-related obligations solidarily with the owner of the collateral.
26. If the client fails to fulfil the conditions of insuring the collateral, the bank may conclude or extend the insurance agreement itself at the client's expense.
27. The bank may use the insurance indemnity for the partial or full (incl. premature) fulfilment of the claims arising from the agreement or for covering property restoration costs.

## Payments

28. Loan repayment, loan interest, late payment penalty, contractual penalty, payments for compensating expenses and fees specified in the agreement and the bank's price list are considered as paid when the amount has been received in the bank's account.
29. The client shall make sure that the money is available in their account tied to the agreement no later than by 6 p.m. on the payment date.
30. The bank calculates payments based on a 360-day year, the actual number of days in a month and the payment rate.
31. Each client must have at least one account in the bank until the end of the agreement.

## Interest rates

32. Three-, six-, or twelve-month Euribor is the interest rate for the euros, used by leading banks on the European money market to offer each other three-, six-, or twelve-month term deposits. Euribor is disclosed on the website of Thomson Reuters or its replacement site according to the money market rules, as well as on the bank's website [www.seb.ee](http://www.seb.ee). Euribor applicable to the agreement is published in the client's internet bank.
33. Fixed base interest rate is the interest rate quoted for loans issued in euros at the international money markets on the date of entry into force of the agreement or the annex hereof. Fixed base interest rate is disclosed on the website of Thomson Reuters, or its replacement site.
34. Market interest rate is the fixed interest rate quoted for loans issued in euros on the international money market for the period remaining until the end of validity of the fixed base interest rate. The client may ask the bank to quote the market interest rate at any time.

## Interest calculation

35. The bank calculates and the client pays interest on the outstanding part of the loan for each previous interest period.
36. An interest period begins on the interest payment date and ends on the day preceding the next interest payment date.
37. The first interest period begins on the date of disbursement of the loan or its part and the last interest period ends on the day preceding the loan repayment date.

38. Interest calculation ends on the day preceding the day of cancelling the agreement, specified in the cancellation notice.
39. The bank fixes the Euribor based on the Euribor valid two business days prior to fixing.
40. Initially, the bank fixes the Euribor for the next three-, six-, or twelve-month period (during which the Euribor will not change) on the day the agreement or its annex enters into force.
41. Following that, the bank fixes the Euribor on the interest payment day immediately preceding the passing of the current respective Euribor period.
42. Going forward, the bank fixes the Euribor on the third, six, or twelfth interest payment date following the previous Euribor fixing day.
43. If the Euribor fixing day falls on a holiday, the bank fixes the Euribor on the first business day following it.
44. During the validity of a fixed base interest rate, the client will pay the interest difference fee on the day when
  - 44.1. the client repays the loan in full or in part to the bank before the loan repayment date;
  - 44.2. the fixed interest rate prematurely changes into an unfixed interest rate;
  - 44.3. the validity period of the fixed base interest rate is reduced; or
  - 44.4. the bank cancels the agreement.
45. The bank calculates the interest difference fee on the outstanding loan or prematurely repaid loan for the period between the interest difference fee payment date and the end of validity of the fixed base interest rate. The bank bases its calculation on the market interest rate valid on the interest difference fee payment date.
46. The annual interest difference fee rate is calculated by subtracting the market interest rate from the fixed base interest rate.

## Providing information

47. The client shall perform the following obligations without delay
  - 47.1. inform the bank of criminal, judicial, enforcement or bankruptcy proceedings initiated against the client or collateral provider;
  - 47.2. inform the bank if any term of the agreement is breached;
  - 47.3. at the bank's request, prove the use of the loan for the intended purpose. If the bank is re-lending money obtained from a credit or financing institution or a person in public law, the client shall also allow the latter to ascertain the use of the loan for the intended purpose;
  - 47.4. inform the bank of an insured event, disposal or encumbrance of the collateral and other circumstances that may reduce the value of the collateral;
  - 47.5. at the bank's request, present
    - a valuation report on the collateral, prepared by a valuation specialist accepted by the bank;
    - other documents regarding the collateral;
  - 47.6. notification obligations set out in the bank's general terms and conditions.

## Contractual penalty and cost compensation

48. The bank may demand the client to pay a contractual penalty of up to 32 euros for breaching the obligation to provide information and up to 5% of the outstanding loan for breaching any other non-monetary obligation or when a special condition is not being fulfilled.
49. The client pays the contractual penalty and eliminates the breach by the given date. The bank may also use other legal remedies. The client shall additionally compensate the bank for any expenses and damages it incurs due to the breach.

## Other conditions

50. The loan is in the client's national currency that is the official currency in the client's permanent residence at the time when the agreement enters into force.
51. Before applying legal remedies, the bank may give the client a deadline for remedying the breach of obligation.
52. To amend the agreement, an annex shall be signed, except for in cases provided for in the agreement. The disbursement date, the payment date and the account tied to the agreement may be changed in a format which can be reproduced in writing.
53. The agreement will expire when all contractual obligations have been performed.