

TERMS AND CONDITIONS OF HYPO VORARLBERG BANK AG

Last updated: October 2015

GENERAL PROVISIONS

I. BASIC RULES FOR BUSINESS RELATIONS BETWEEN CUSTOMER AND BANK

A. Scope of application and amendment of these Terms and Conditions

1. Scope of application

Section 1. (1) These Terms and Conditions (hereinafter referred to as "Terms") shall apply to the entire business relationship between customer and all branch offices of the bank in Austria and abroad. Terms and conditions contained in agreements made with the customer or in special conditions shall prevail. (2) For the purpose of these Terms, "consumer" and "entrepreneur" shall have the meaning as defined in the Austrian Consumer Protection Act.

2. Amendments

Section 2. (1) Amendments to these Terms shall be offered to the customer at the latest two months prior to the proposed date of their going into effect. In said offer, the affected provisions shall be presented in comparison with the proposed provisions. The customer's consent will be deemed to be granted if no objection is received by the bank prior to the proposed date of their going into effect. The bank shall point this out for the customer in the amendment offer.

In addition, the bank shall publish a comparison of the regulations affected by the amendment to the Terms as well as a complete version of the new Terms on its website. The bank shall also point this out for the customer in the amendment offer. The customer, who is a consumer, must be informed of the amendment offer. In relation to an entrepreneur, it shall suffice to make the amendment offer available for retrieval in any manner agreed with the entrepreneur.

(2) In the event of a planned amendment to the Terms, the customer, who is a consumer, is entitled, prior to the amendment going into effect, to cancel its framework contracts for payment services (in particular the giro account agreement) with immediate effect and for no charge. The bank shall point this out in the notification about the amendment.

(3) Paragraph (1) shall also apply to amendments to the framework contracts between the customer and the bank. In addition, paragraph (2) shall also apply to amendments to framework contracts for payment services.

(4) The preceding paragraphs (1) and (2) shall not apply with respect to the amendments to the bank's services and the fees to be paid by the customer. Unless agreed upon with the customer on an individual basis, Sections 43 through 46 shall be applicable with respect to said amendments.

B. Statements

1. Customer orders and instructions

Section 3. (1) Orders and instructions shall be issued in writing. The customer may also place the order on a device for electronic signature registration possibly provided by the bank for this purpose.

(2) However, the bank may also execute orders that were issued via telecommunication (in particular over the phone, via telefax or

data communication). Provided the other requirements are met, the bank is obliged to execute these orders only if the customer has so agreed with the bank.

(3) The bank may execute any instructions received in whatever form within the scope of a business relationship with an entrepreneur for the entrepreneur's account, if the bank is of the opinion, without its fault, that the instructions originate from the customer and if the invalid instruction cannot be attributed to the bank. This does not apply to orders for payment services.

2. Bank to obtain confirmations

Section 4. In particular if instructions were issued via telecommunication, the bank may obtain a confirmation of the order via the same or a different means of communication, as the case may be, for security reasons.

3. Declarations of the bank

Section 5. (1) The notifications and declarations of the bank made by telecommunication shall apply subject to written confirmation – provided no deviating written agreements have been made or customary practices of the bank apply. This does not apply with respect to consumers.

(2) Declarations and information to be communicated or made accessible to the customer by the bank will be sent to the customer in paper form (in particular by means of statements of account).

C. Right of disposal upon the death of a customer

Section 6. (1) As soon as it receives notice of the death of a customer, the bank shall permit dispositions on the basis of a decision rendered by the probate court or the certificate of inheritance. In case of joint accounts/joint securities accounts, dispositions made by an account holder with single authority to dispose of the account shall not be affected by this provision.

(2) An authority to sign for a business account granted by an entrepreneur shall not terminate upon the death of a customer. In case of any doubt, the accounts of an entrepreneur shall be considered business accounts.

D. Obligations and liability of the bank

1. Obligations to inform

Section 7. (1) In the absence of any separate agreement to the contrary, the bank is not subject to any obligations to inform other than those mentioned in its Terms and over and above the statutory obligations to inform. Consequently, the bank – in the absence of any statutory or contractual obligations – is not obliged to inform the customer of imminent price falls, of the value or lack of value of items entrusted or of circumstances that impair or could threaten the value of these items, or to provide the customer with any other advice or information.

(2) The obligations to inform envisaged in §§ 26 (1) to (4), 28 (1), 31 and 32 of the Law on Payment Services do not apply with respect to entrepreneurs.

2. Execution of orders

Section 8. (1) An order whose content typically necessitates the involvement of a third party will be fulfilled by the bank through

appointment of a third party on its own behalf. If the bank selects the third party, it shall be liable for the thoroughness of its selection.

(2) Upon request by the customer, the bank is obliged to assign any claims against the third party to the customer.

Section 9. Beyond Section 8 with payment services within the European Economic Area (EEA) in Euro or another currency of an EEA signatory state, the bank shall be liable with respect to consumers (but not with respect to entrepreneurs) for the correct execution of the transfer up until receipt by the beneficiary's payment service provider (Section 39a of these Terms).

E. Customer's obligations to co-operate and liability

1. Introduction

Section 10. In his/her dealings with the bank, the customer shall, in particular, observe the obligations to co-operate stated below. Any violation thereof shall oblige the customer to pay damages or shall reduce his/her claims for damages vis-à-vis the bank.

2. Notification of important changes

a) Name or address

Section 11. (1) The customer shall immediately notify the bank in writing of any changes in his/her name, company name, address or the service address notified by him/her.

(2) If the customer fails to notify any change of address, written communications of the bank will be deemed received if they were sent to the address most recently indicated to the bank by the customer.

b) Power of representation

Section 12. (1) The customer shall immediately notify the bank in writing of any cancellation or change in any power of representation notified to it, including the power to dispose of and sign for account (Sections 31 and 32), and shall provide appropriate documentary evidence in this regard.

(2) Any power of representation notified to the bank shall continue to be effective in its current scope until written notice is given of any cancellation or change, unless the bank had knowledge of such cancellation or change or was not aware thereof due to gross negligence. The same shall, in particular, also apply if the cancellation or change in the power of representation is registered in a public register and was duly published.

c) Capacity to enter into legal transactions; dissolution of the company

Section 13. The bank shall immediately be notified of any loss or limitation in the customer's capacity to enter into legal transactions. If the customer is a company or legal entity, the dissolution of the same shall also be notified to the bank immediately.

3. Clarity of orders

Section 14. (1) The customer shall ensure that his/her orders to the bank are clear and unambiguous. Modifications, confirmations or reminders shall expressly be marked as such.

(2) If the customer wishes to issue special instructions to the bank regarding the execution of orders, s/he shall inform the bank thereof separately and explicitly, and where orders are given by means of forms, the instructions shall be given separately, i.e. not on the form. This shall, above all, apply if the execution of the order is extremely urgent or subject to certain time limits and dates.

4. Due care when using telecommunication means

Section 15. (1) When using a payment instrument, agreed as suitable for issuing of an order to the bank, the customer must

take all reasonable precautions to protect the personalised security features against unauthorised access and must also notify the bank, or the body appointed by it, of the loss, theft, misuse or other unauthorised use of the payment instrument immediately following detection. Entrepreneurs are liable for damages incurred by the bank as a result of violation of these obligations to take due care – without limit in terms of amount for all forms of culpability on the part of the entrepreneur.

(2) The bank is entitled to bar payment instruments issued to the customer if

- a) objective reasons related to the security of the payment instrument justify this, or
- b) non-authorised or fraudulent use of the payment instrument is suspected, or
- c) the customer failed to comply with his/her payment obligations relating to a credit line that exists in connection with a payment instrument (overrun or overdraft) and
 - the fulfilment of such payment obligations is threatened due to a deterioration or endangerment of the financial situation of the customer or a co-debtor or
 - insolvency of the customer actually occurred or the risk of its occurrence exists.

The bank will inform the customer of any such bar and of the reasons for it in a form of communication agreed with the customer – if possible before but at the latest immediately following the bar – provided announcement of the bar or of the reasons for the bar do not violate a court or administration authority order, or would contravene Austrian or European Union legal standards or objective security considerations.

5. Raising of objections

Section 16. (1) The customer must check declarations of the bank which do not refer to payment services (such as confirmations of orders placed for financial instruments and notifications of their execution and transaction confirmations; statements of account, account closings and other settlements in credit and foreign exchange transactions; securities account statements or listings) for completeness and correctness and must raise objections, if any, within a reasonable period of time but not later than within a period of two months. If the bank receives no written objections with respect to an account settlement which does not relate to a payment account within two months said settlement shall be deemed to be approved. The customer may request an adjustment of the account settlement even after expiry of said term; in such a case, however, the customer shall be obliged to prove that the account was wrongly debited or an amount due to the customer failed to be credited. The bank will inform the customer of the consequences of a failure to file objections in due time at the beginning of each deadline period.

(2) In the event of any giro account debit resulting from a non-authorised or incorrectly executed payment transaction, the customer can in any case obtain rectification by the bank if he/she has informed the bank of a non-authorised or incorrectly executed payment transaction immediately following detection, at the latest, however, 13 months from the date of the debit. The deadlines shall not apply if the bank has not advised the customer of the information envisaged in Section 39 (9) of these Terms concerning the corresponding payment transaction or made this information accessible to him/her. This regulation shall not bar other claims to adjustment by the customer.

Section 17. cancelled

6. Translations

Section 18. Any foreign-language instruments shall be presented to the bank also in a German translation of a court-appointed and certified interpreter if the bank so requires.

F. Place of performance; choice of law; legal venue

1. Place of performance

Section 19. When transacting business with entrepreneurs, the place of performance for both parties shall be the offices of that branch of the bank with which the transaction was concluded.

2. Choice of law

Section 20. All legal relationships between the customer and the bank shall be subject to Austrian law.

3. Legal venue

Section 21. (1) An entrepreneur may take legal action against the bank only at the court having subject-matter jurisdiction at the bank's principal place of business. This shall also be the legal venue if the bank takes legal action against an entrepreneur, with the bank being entitled to assert its rights in every court having local jurisdiction and jurisdiction over the subject-matter.

(2) The general legal venue in Austria for legal actions taken by a consumer or against a consumer in connection with agreements with the bank shall remain the same even if the consumer, after conclusion of the agreement, transfers his/her domicile abroad and Austrian judgments are enforceable in that country.

G. Termination of the business relation

1. Ordinary termination in the business relation with entrepreneurs

Section 22. Unless there is an agreement for a fixed term, the bank and the customer may terminate the entire business relation or individual parts thereof (including loan agreements and framework contracts for payment services such as, in particular, giro account agreements) at any time when complying with an appropriate advance notice period. Fees paid in advance will not be refunded.

2. Ordinary termination in the business relation with consumers

Section 23. (1) The customer may terminate at no charge a framework contract for payment services, in particular a giro account agreement, at any time when complying with an advance notice period of one month. The right to free and immediate termination of a framework contract for payment services, in particular a giro account agreement, occasioned by an amendment to the Terms proposed by the bank or a framework contract for payment services, in particular a giro account agreement (Section 2) shall not be impaired.

(2) The customer may at any time, and by complying with an advance notice period of one month, terminate loan agreements concluded for an indefinite period of time at no charge. The customer may terminate all other agreements with the bank concluded for an indefinite period of time at any time while complying with an appropriate advance notice period.

(3) The bank may terminate framework contracts for payment services (in particular giro account agreements) concluded for an indefinite period of time while complying with an advance notice period of two months. The bank may at any time terminate all other agreements concluded for an indefinite period of time while complying with an appropriate advance notice period.

3. Termination for good cause

Section 24. (1) The bank and the customer shall be entitled to terminate the entire business relation or individual parts thereof at any time with immediate effect for good cause.

(2) Good cause exists, in particular, if

- the financial condition of the customer or of a co-debtor deteriorates or is put at risk and the fulfilment of obligations vis-à-vis the bank is jeopardised as a result thereof,

- the customer provides incorrect information about his/her financial condition or other material facts and circumstances, or the customer has not fulfilled or cannot fulfil an obligation to provide or increase collaterals.

4. Legal consequences

Section 25. (1) Upon termination of the entire business relation or individual parts thereof, the amounts owed thereunder will immediately become due and payable. In addition, the customer shall be obliged to release the bank from all liabilities assumed for him/her.

(2) In addition, the bank shall be entitled to terminate all liabilities assumed for the customer and to settle the same on behalf of the customer as well as to immediately debit credited amounts, subject to collection.

Claims arising from securities, in particular bills of exchange and cheques, may be asserted by the bank pending coverage of potential debit balances, if any.

(3) In the event of termination of the entire business relationship or of specific business relations, the Bank shall refund the customer, who is a consumer, pro rata any fees for payment services paid in advance for a specific period of time.

(4) These Terms shall continue to apply also after termination of the business relation until complete settlement.

H. Right to refuse disbursement

Section 26. (1) The bank may refuse disbursement of the loan amount on objectively justified reasons.

(2) Objectively justified reasons within the meaning of paragraph (1) obtain if after conclusion of the agreement

- circumstances emerge indicating a deterioration of the borrower's financial situation or devaluation of committed collateral to such an extent that repayment of the loan or payment of interest is jeopardised even upon liquidation of the collateral, or
- an objectively justified suspicion arises for the bank that the loan amount is being used by the borrower contrary to the agreement or contrary to law.

(3) The bank must immediately notify consumers of this intention in hardcopy or in another permanent medium, indicating the reasons. The indication of reasons must be dispensed with if public safety or the public order would thereby be jeopardised.

II. BANK INFORMATION

Section 27. General information about the financial condition of an enterprise which is customary in banking practice will only be provided in a non-binding manner and, vis-à-vis entrepreneurs, only in writing, unless an obligation to provide such information exists.

III. OPENING AND KEEPING OF ACCOUNTS AND SECURITIES ACCOUNTS

A. Scope of application

Section 28. Unless otherwise provided, the following regulations regarding accounts shall also apply to securities accounts.

B. Opening of accounts

Section 29. When opening an account, the future account holder shall prove his/her identity. Accounts shall be kept under the name of the account holder or the company name along with an account number.

C. Specimen signatures

Section 30. Persons who are to be authorised to dispose of or sign for an account shall deposit their signatures with the bank. Based on the signatures deposited, the bank shall permit written dispositions within the scope of the account.

D. Right to dispose of and sign for an account

1. Authority to dispose of an account

Section 31. Only the account holder shall be entitled to dispose of the account. Only persons whose power of representation is provided for by law or persons who were granted an express written power of attorney to dispose of the account shall be entitled to represent the account holder. They shall be obliged to prove their identity and power of representation.

In the event of enduring powers of attorney the effectiveness of which has been registered with the Austrian Central Representation Register (ÖZVV) or, in accordance with the Hague Convention on the International Protection of Adults, confirmed by a foreign authority, a general power of attorney to operate the accounts of the grantor shall suffice.

2. Authority to sign for an account

Section 32. (1) The account holder may expressly and in writing grant third parties authority to sign for the account. The authorised signer must prove his/her identity to the bank. The person authorised to sign for the account shall be exclusively entitled to make and revoke dispositions over the deposits on the account. (2) The authority to sign for a securities account includes also the authority to buy and sell securities within the scope of the coverage available and in accordance with the investment objective and risk orientation of the securities account holder as set forth in the Act on the Supervision of the Securities Market.

E. Special types of accounts

1. Sub-account

Section 33. An account may also include sub-accounts. Even if they are given sub-account names, the account holder shall be exclusively entitled and obliged vis-à-vis the bank in connection with the same.

2. Escrow account

Section 34. In case of escrow accounts, the escrow agent as the account holder shall be exclusively entitled and obliged vis-à-vis the bank.

3. Joint account

Section 35. (1) An account may also be opened for several account holders (joint account). Dispositions over the account, in particular the closing thereof and the granting of authority to sign for the account, may only be made by all account holders jointly. Every account holder may be represented by a specifically authorised representative in a particular case. (2) The account holders shall be jointly and severally liable for obligations arising from the account. (3) Unless expressly agreed otherwise, every joint account holder shall have individual power to dispose of the amount on the account. This authority includes also the power to buy and sell securities within the scope of the coverage available and in accordance with the joint investment objective and joint risk orientation of all securities account holders as set forth by the Act on the Supervision of the Securities Market. The authority will, however, be terminated by the express objection of another account holder. In this event, only all joint account holders shall collectively have authority. (4) Authorisations to sign for an account may be revoked by each joint account holder.

Section 36. cancelled

4. Foreign currency account

Section 37. (1) If the bank keeps a foreign currency account for the customer, transfers in the respective foreign currency shall be credited to this account, unless a different transfer order has been issued. If no foreign currency account exists, the bank shall be entitled to credit foreign currency amounts in national currency, unless the customer expressly orders otherwise. The amount shall be converted at the conversion rate of the day on which the amount in foreign currency is at the bank's disposal and may be used by it.

(2) The bank's obligation to process a disposition to the debit of a foreign currency credit balance or in order to meet a foreign currency obligation shall be suspended as long as and to the extent that the bank, due to political measures or events in the country of the respective currency, may not or may only restrictively dispose of the currency in which the foreign currency credit balance or the obligation is denominated. As long as and to the extent that such measures or events continue to exist, the bank shall not be obliged to carry out its obligation at any other place outside of the country of the respective currency or by making use of another currency (inclusive of Euros) or by providing cash. The bank's obligation to process a disposition to the debit of a foreign currency credit balance shall, however, not be suspended if and when the bank is able to carry out its obligation completely within its own organisation. The right of the customer or the bank to offset reciprocal claims due in the same currency shall not be affected by the preceding provisions.

F. Balancing of accounts and statements of securities accounts

Section 38. (1) Unless agreed otherwise, the bank shall balance the account on a quarterly basis. Interest and charges incurred in the quarter shall be part of the closing balance, which shall again be subject to interest ("compound interest"). Statements of securities accounts shall be prepared once a year.

(2) The statement of account including the closing balance/the statement of the securities account will be held ready for collection by the customer at the account-keeping branch office of the bank.

IV. CURRENT TRANSACTIONS

A. Transfer orders

Section 39. (1) With transfer orders to the benefit of a payment beneficiary whose account is kept with a payment service provider within Austria, other states of the European Economic Area (EEA) or Switzerland, the customer must designate the payment beneficiary with its International Bank Account Number (IBAN). Should the payment beneficiary's payment service provider have its registered office in a member state of the EEA other than Austria or in Switzerland then up through 31 January 2016 besides the IBAN the Bank Identifier Code (BIC) of the payment beneficiary's payment service provider must also be given.

(2) In the event of transfer orders to the benefit of a payment beneficiary whose account is kept with a payment service provider outside of the EEA and Switzerland, the customer must designate the payment beneficiary:

- with the account number of the payment beneficiary and either the name, sorting code or BIC of the payment beneficiary's payment service provider, or
- with the payment beneficiary's IBAN and the BIC of the payment beneficiary's payment service provider.

(3) The information on IBAN and BIC or account number and name/bank code number/BIC of the payment service provider of the beneficiary respectively to be given by the customer in the framework of paragraphs (1) and (2) constitute the payment beneficiary's customer identifier on the basis of which the transfer orders are carried out. Information about the payment beneficiary going beyond that, in particular the name of the payment beneficiary to be indicated for reasons of documentation when placing

the order for remittance, are not a part of this customer identifier and are not considered when carrying out the transfer.

(4) The reason for the transfer order given in the transfer instructions is in any case of no relevance for the Bank.

(5) The acceptance of a transfer order by the bank does not by itself create any third party rights whatsoever with respect to the bank.

(6) The bank is only obliged to execute a transfer order if the corresponding account of the customer stated has full cover (credit balance, credit facility granted).

(7) Transfer orders received by the bank (Section 39a) cannot be unilaterally revoked by the customer. If a later execution date is agreed for a transfer order, irrevocability shall not apply until the close of the business day preceding the execution date.

(8) If the bank refuses execution of a transfer order, it will inform the customer of the refusal as soon as possible, and in any case within the deadlines cited in Section 39a (3), in the manner agreed with him/her, if possible including the reasons for the refusal, and also indicating how the transfer order can be corrected so as to enable execution at a future date. Transfer orders justifiably refused by the bank shall not trigger the execution deadlines agreed in Section 39a of these Terms.

(9) Information concerning transfer orders executed (reference, amount, currency, charges, interest, exchange rate, value date of the debit) and other payments made with debiting to their account, in particular using direct debiting and direct debit authorisation, will be provided on a monthly basis by the bank to customers who are consumers – unless already shown against the respective transaction in the statement of account.

B. Execution periods

Section 39a. (1) Transfer orders which reach the bank after the hours stipulated for the payment form in question (times of receipt) near the close of business hours or on a day that is not a business day of the bank, will be treated as if they had been received on the following business day. The bank shall in good time notify the customer, prior to and when concluding the giro account agreement and thereafter upon every change to the set times of receipt, of the new times of receipt and shall do so in hardcopy or, where there is a corresponding agreement with the customer, in another permanent medium. A business day is every day on which the bank is open and maintains the business operations necessary for the performance of payment transactions.

(2) If an agreement is made between the customer issuing a payment order and the bank to the effect that the execution of a payment order should begin on a specific day or at the end of a specific period, or on the day on which the customer makes the money amount available to the bank, the agreed date shall apply as the date of receipt. If the agreed date is not a business day of the bank, the payment order will be treated as if received on the following business day.

(3) The bank shall ensure that, upon receipt, the amount that is the subject matter of the payment transaction, reaches the payment service provider of the payment beneficiary at the latest at the end of the following business day (for payment transactions initiated in hardcopy at the end of the second day following receipt). This paragraph is applicable solely to payment transactions within the European Economic Area (EEA) and in Euro.

(4) For payment transactions within the EEA not denominated in Euro but in another currency of an EEA signatory state, the execution period referred to in paragraph (3) is a maximum of 4 business days.

C. Crediting and right of cancellation

Section 40. (1) With valid giro account contracts, the bank is obliged and irrevocably authorised to receive money for the customer and to credit this to his/her account. If and to the extent that the bank has claims against the customer which are related to said account, the bank shall also after termination of the giro account contract be entitled to accept money amounts for the customer and to offset its claims against the customer's claims

for payment of the received amount. The order to make an amount of money available to the customer will be executed by the bank by crediting the amount to the account of the payment beneficiary, provided nothing to the contrary is stipulated by the order.

(2) Information on transfers credited to the account (reference, amount, currency, charges, interest, exchange rate, value date of the credit note) will be provided to customers who are consumers on a monthly basis in the bank upon request – unless shown against the respective transaction in the statement of account.

(3) The bank is entitled to deduct own charges for the transfer from the amount to be credited. The bank will show the amount transferred and charges deducted separately.

(4) The bank can cancel credit notes issued as a result of an error at any time. In other cases, the bank will only cancel a credit note if it receives clear evidence of the invalidity of the transfer order. The right of cancellation shall not be removed by any interim balancing of account. If the right of cancellation applies, the bank can refuse disposal of the amounts credited.

D. Receipt of credit note reserved

Section 41. (1) If the bank credits amounts to the customer's account that it is required to collect on behalf of the customer (in particular within the scope of the collection of cheques, bills of exchange and other securities, direct debits etc), or amounts which are to be transferred to the customer's account, before the amount to be collected or transferred has reached the bank, this will be done solely subject to the reserve of the bank actually receiving the amount credited. This shall also apply if the amount to be collected is payable to the bank.

(2) As a result of the reserve, the bank is entitled to cancel the credit note by means of simple posting if the collection or transfer fails or if, as a result of the economic position of a party obliged to pay, official intervention or other reasons, it is foreseeable that the bank will not obtain the right of unrestricted disposal of the amount to be collected or transferred.

(3) The reserve can also be exercised if the amount credited has been collected abroad or transferred from abroad and is debited back to the bank by a third party under foreign law or on the basis of an agreement made with a foreign bank.

(4) In the event of a valid reserve, the bank is also entitled to refuse the customer disposal of the amounts credited. The reserve is not removed by balancing of account.

E. Debit postings

Section 42. (1) With transfer orders, debit postings are not to be understood as notification of execution until two business days have passed without cancellation of the debit posting (see clause 39a (1) of these Terms).

(2) Cheques and other payment instructions as well as SEPA business-to-business direct debit mandates (clause 42a, paragraph (3)) are considered honoured if the debit posting to the customer account drawn on is not cancelled within two business days, unless the bank has already informed the presenter of the honouring or made payment to him/her in cash. SEPA direct debit mandates (clause 42a, paragraph (3)) shall be deemed to have been honoured after expiry of five business days.

F. SEPA direct debit mandates

Section 42a. (1) The customer consents to the debiting of his/her account with amounts which third parties authorised by him/her collect through debiting his/her account with the bank. This consent can be revoked by the customer at any time in writing.

(2) The bank shall process collections and SEPA direct debit mandates to the customer's debit on the basis of the International Bank Account Number (IBAN) forwarded by the debiting bank. The indications concerning IBAN shall represent the customer identifier by means of which the collection or SEPA debiting will be carried out. In the event that the collecting bank additionally receives details with respect to the customer such as, in particular, the name of the holder of the account which is to be debited,

such details shall be deemed to have been made for reasons of documentation only and shall be disregarded when carrying out the collection or SEPA debiting respectively.

(3) If, at the time of the debiting of the account, the bank was not in possession of a direct debit mandate of the customer ("SEPA direct debit mandate") the bank must comply with a customer's request, if any, to cancel the account debiting without any questions within eight weeks from the date of the debiting of the account (even if the customer is an entrepreneur). In the event that, at the time of the debiting of the account, the bank was in possession of a direct debit mandate submitted by a customer holding the status of an entrepreneur and directing the bank to pay amounts collected by a third party designated in the mandate to the debit of the customer's account ("SEPA business-to-business direct debit mandate"), the customer shall not be entitled to request a rescission of the account debiting.

(4) A justified request by the customer for cancellation of a debit posting will be complied with within 10 business days.

V. CHANGE OF FEES AND SERVICES

A. Changes in fees and services in relation to entrepreneurs

Section 43. (1) The bank may, in its business with entrepreneurs and at its equitable discretion, change its fees for long-term services, which the bank or the customer must pay (including credit and debit interest on giro or other accounts, account maintenance fees, etc), taking into account all relevant circumstances (in particular changes in the legislative and regulatory framework conditions, changes on capital markets and money markets, changes to refinancing costs, changes in personnel or materials expenses, changes in the consumer price index, etc). The same applies to changes in other services offered by the bank occurring due to changes in legal requirements, bank operations security, technical developments or considerably reduced use of a service significantly impairing its cost cover.

(2) Changes to services provided by the bank or customer fees going beyond paragraph (1), introduction of new services subject to a fee or new fees for already agreed services will be offered to the customer by the bank at the latest two months prior to the proposed date of their going into effect. The customer's consent to such changes will be deemed to be granted if no written objection is received by the bank by the proposed date for their going into effect. The bank shall point this out to the customer in its proposal for changes. The bank may make the proposal for changes retrievable in a manner agreed with the entrepreneur.

B. Changes in the fees agreed with consumers outside of payment services (except for interest charged)

Section 44. (1) The fees agreed with consumers for the long-term services rendered besides payment services (such as SafeRent, account maintenance fees for accounts via which no payment services are transacted) are adjusted (raised or lowered) annually with effect as from 1 November of each year to the fluctuation of the national 2000 consumer price index published by the Austrian Statistics Office, with the amount being rounded to the nearest whole cent according to commercial custom. The adjustment is made by comparing the November index values of the past year with November of the preceding year. If no increase in the fee occurs despite an increase in the index then the right to such an increase with effect for the future does not lapse. Fee adjustments occur at the earliest at the end of two months, reckoned from the date of concluding the agreement.

(2) The provisions of this Section 44 do not apply to the changes in fees agreed in contracts for payment services and regulated separately in Section 45.

C. Changes in the fees agreed with consumers for payment services (except for interest charged)

Section 45. (1) Changes in the fees agreed in connection with the framework contract for payment services (in particular for the

giro account) for long-term services shall be offered to the customer at the latest two months prior to the proposed time of their going into effect, which is in any case 1 November of a given year. The customer's consent to such changes will be deemed to be granted if no objection is received by the bank by the proposed date for their going into effect. The bank shall point this out for the customer in its proposal for changes in which the extent of the change must be presented. The customer has the right to terminate the framework contract, at no charge and with immediate effect, up through when the change goes into effect. The Bank must also point this out in its proposal for changes. The customer must be notified by the bank of the proposed changes.

(2) An adjustment of the fees to the fluctuation of the national 2000 consumer price index published by the Austrian Statistics Office may be agreed with the customer in the manner agreed in paragraph (1). The adjustment is made by comparing the November index values of the past year with November of the preceding year. The fee emerging from the adjustment is rounded to the nearest whole cent according to commercial custom.

If the customer was not offered a fee adjustment resulting from fluctuations in the consumer price index in one year then such an adjustment may still be offered to the customer later on with effect for the future.

D. Changes in long-term services agreed with consumers (except for credit interest)

Section 46. (1) Changes in the long-term services rendered for the customer shall be offered to the customer by the bank at the latest two months prior to the proposed date for their going into effect. The customer's consent to such changes will be deemed to be granted if no objection by the customer is received by the bank by the proposed date for their going into effect. The bank shall point this out to the customer in its proposal for changes. The bank may make the proposal for changes available in any manner agreed with the customer. Should the proposal for changes, however, relate to payment services then the customer must be notified thereof and the customer shall be entitled to terminate the relevant framework contract, at no charge and with immediate effect, up through the time when the changes go into effect. The bank must point this right of termination out as well in its proposal for changes.

(2) The bank may, however, only agree a change in services with the customer in the manner provided for in paragraph (1) if this, taking account of all circumstances (change in the customer's prevalent needs, legislative and regulatory requirements, bank operations security, technical developments or considerably reduced use of a service significantly impairing its cost cover), is objectively justified. Such an objective justification shall be deemed to exist only if the offered change in services results in an extension of the services rendered by the bank or a restriction of the bank's services which is reasonable for the customers and does not entail any disproportionate modifications of material rights and obligations to the favour of the bank.

E. Reimbursement of expenses by entrepreneurs

Section 47. (1) The customer, who is an entrepreneur, shall bear all expenses, disbursements and costs, in particular stamp duties and legal transaction charges, taxes, postage, cost of insurance, legal fees, collection, consultancy services in business administration matters, telecommunications as well as provision, administration and utilisation or release of collateral incurred in connection with the business relationship between him/her and the bank. If the bank is unable to execute a payment order issued by the customer due to a lack of coverage or if it has to take action vis-à-vis the customer due to enforcement measures of third parties, it shall be entitled to collect an appropriate lump-sum expense allowance pursuant to the displayed cost list.

(2) The bank shall be entitled to charge such expenses as a lump-sum amount without specifying the individual amounts, unless the customer expressly demands an itemized statement of the individual amounts.

VI. COLLATERAL

A. Increase of collateral

Section 48. (1) If in business relations with entrepreneurs circumstances subsequently occur or become known which justify a higher risk assessment of the claims vis-à-vis the customer, the bank shall be entitled to request the provision or increase of a collateral within a reasonable period of time. This shall be the case, in particular, if the customer's economic condition has deteriorated or threatens to deteriorate or if the collateral available has deteriorated in value or threatens to deteriorate.

(2) This shall also apply if no collateral was required at the time the claims came into existence.

B. Bank's lien

1. Scope and coming into existence

Section 49. (1) The customer grants to the bank a lien on any items and rights which, in connection with any bank transaction carried out with the bank, come into the possession of the bank upon the customer's intention.

(2) The lien shall, in particular, also exist on all distrainable claims of the customer vis-à-vis the bank, for example claims under credit balances. If securities are subject to the lien, the lien shall also extend to the interest and dividend coupons pertaining to such securities.

Section 50. (1) The lien shall secure the bank's claims vis-à-vis the customer under the business relationship, including joint accounts, even if the claims are conditional, limited as to time or not yet due. If the customer is an entrepreneur, the lien shall also secure the bank's legal claims as well as claims on third parties for fulfillment of which the customer is personally liable.

(2) The lien shall come into existence upon the bank's taking possession of the item to the extent claims pursuant to paragraph (1) exist; otherwise at any future point in time when such claims arise.

2. Exemptions from the lien

Section 51. (1) The lien shall not include items and rights which the customer has dedicated to the execution of a certain order prior to the coming into existence of the lien, such as amounts designated for the cashing of a certain cheque or honouring of a certain bill of exchange as well as for the carrying out of a certain transfer. This shall, however, apply only as long as the assignment is effective.

(2) Notwithstanding the existing lien, the bank will carry out dispositions of the customer regarding credit balances on current accounts in favour of third parties as long as the customer has not received notice by the bank that it will assert the lien. Distraint of the credit balance shall not be considered a disposition by the customer.

(3) The lien shall furthermore not cover assets which the customer has disclosed in writing to the bank as escrow assets prior to the coming into existence of the lien or which have come into the possession of the bank without the customer's will.

C. Release of collateral

Section 52. Upon the customer's request, the bank will release collateral to the extent it has no justified interest in retaining them as security.

D. Realisation of collaterals

Section 53. The following Sections 53a through 56 provide for the way in which the bank may proceed in the event of a realisation of collaterals. As a prerequisite, the secured claim must in any case be due for payment and the entitlement to realise the collateral according to applicable contractual and statutory provisions must have come into existence (unless a claim provided as collateral becomes due prior to the due date for the secured claim, as provided for in Section 56). This procedure requires that the customer was given notice of the risk of a realisation of the collateral by indicating the amount of the secured claim and that not less than one month has expired since said warning. If the customer is an entrepreneur said period shall amount to one week. A warning shall not be necessary if it is unfeasible, for instance due to unknown whereabouts of the customer. In such a case, the respective period shall start on the due date of the secured claim. A realisation prior to the expiry of said period of time shall be admissible if a waiting period may result in a considerable and permanent loss in value.

1. Sale

Section 53a. Collaterals having a market price or stock exchange price shall be realised by the bank by selling them at such price in the open market.

Section 54. The value of collaterals having no market price or stock exchange price shall be assessed by an independent expert authorised to do so and appointed by the bank. The bank shall notify the customer of the result of the assessment and at the same time ask the customer to nominate a party interested in purchasing the same within a reasonable period of time of not less than two weeks who will pay at least the assessed value as purchase price to the bank within such period. If the customer fails to nominate an interested party within such period or if the purchase price is not paid by the interested party nominated, the bank shall irrevocably be entitled to sell the collateral in the name of the customer for not less than the assessed value. The sales proceeds shall be used for the redemption of the secured claims, with the customer being entitled to the surplus, if any.

2. Enforcement and out-of-court auction

Section 55. The bank shall also be entitled to realise the collateral by enforcement or – to the extent the collateral has no market price or stock exchange price – to put it up for auction in a public auction organised by an entrepreneur authorised to do so. Time and place as well as a general description of the collateral shall be published. The provider of the collateral and third parties holding rights in the collateral shall be given notice of such measure.

3. Collection

Section 56. (1) The bank shall be entitled to terminate and collect the claims assigned to it for purposes of security (including securities) at the time the secured claim becomes due. Prior thereto it shall be entitled to collect the claim serving as collateral when it becomes due. In case of an imminent material and permanent loss in value of the claim serving as collateral, the bank shall be entitled to terminate the same already prior to the same becoming due. To the extent this is possible, the customer will be informed thereof in advance. Amounts collected prior to the due date of the secured claims shall serve as pledge instead of the claim collected.

(2) The provisions under paragraph (1) shall not apply to wage and salary claims of consumers which have been provided as security for claims not yet due.

Section 57. cancelled

E. Right of retention

Section 58. The bank shall be entitled to retain services it has to provide to the customer due to claims arising from the business relationship, even if these claims are not based on the same legal relationship. Sections 50 and 51 shall apply accordingly.

VII. SET-OFF AND CREDITING

A. Set-off

1. By the bank

Section 59. (1) The bank shall be entitled to set off all of the customer's claims, to the extent they are distrainable, against all liabilities of the customer vis-à-vis the bank.
(2) Notwithstanding the existing set-off right, the bank shall carry out dispositions of the customer in favour of third parties regarding the credit balances on current accounts as long as the customer has not received a set-off notice. An attachment of the credit balance shall not be deemed a disposition by the customer.

2. By the customer

Section 60. The customer shall only be entitled to set-off his/her liabilities if the bank is insolvent or if the customer's claim is related to his/her liability or has been acknowledged by judgment or recognised by the bank.

B. Credit

Section 61. Notwithstanding the provisions of § 1416 of the Austrian General Civil Code (ABGB), the bank may during transactions with entrepreneurs initially credit payments to accounts payable to the bank to the extent no collateral has been provided for the same or if the value of the collateral provided does not cover the claims. In this respect, it is irrelevant when the individual claims have become due. This shall also apply to a current account relationship.

(2) During transactions with consumers, the bank may initially credit payments by means of which a certain claim is intended to be repaid to unsecured parts of such a claim even if the customer's intention is disregarded in this respect.

SPECIAL TYPES OF BUSINESS TRANSACTIONS

I. TRADE IN SECURITIES AND OTHER ASSETS

A. Scope of application

Section 62. The terms and conditions set out in Sections 63 to 67 shall apply to securities and other assets even if they are not certificated.

B. Procedure

Section 63. (1) In principle, the bank carries out customer instructions for the purchase and sale of securities as commission agent.
(2) However, if the bank agrees on a fixed price with the customer, it will conclude a purchase agreement.
(3) The customer hereby agrees with the bank's execution policy based on which the bank will execute the customer's orders, unless the customer instructs otherwise. The bank will inform the customer of material changes in its execution policy.
(4) The bank may also carry out orders for the purchase and sale of securities in part if the market situation does not allow that the same be carried out in full.

C. Place of executing orders

Section 64. The statutory provisions and practices applicable at that place to buy and sell orders shall be relevant.

D. Date of executing orders

Section 65. If an order to be executed on the same day has not been received early enough to be executed out on that day within the ordinary course of operations, it shall be scheduled to be executed on the next trading day.

E. Insufficient coverage

Section 66. (1) The bank shall be entitled to refrain from carrying out transactions in securities in whole or in part if no sufficient coverage is available.

(2) However, the bank shall be entitled to execute such securities transactions if it is not aware that the customer wants the order to be executed only on the condition that coverage is available.

(3) If the customer does not provide coverage despite demand, the bank shall be entitled to enter into a closing transaction for the customer's account at the best possible price.

F. Transactions abroad

Section 67. If the customer receives credits for securities held abroad, the customer's claim vis-à-vis the bank corresponds to the share the bank holds for the customer's account in respect of the overall portfolio of securities of the same type the bank holds abroad for its customers in compliance with the relevant statutory provisions and market practices.

G. Transactions in stocks

Section 68. In case of transactions in stocks, the physical securities of which are not being traded, yet the bank shall neither be liable for the issuance of the securities on the part of the joint-stock company nor for the possibility of exercising the shareholders rights prior to the issuance of the securities.

II. SAFEKEEPING OF SECURITIES AND OTHER ASSETS

A. Safekeeping of securities

Section 69. (1) The bank shall be entitled to place securities deposited with it in the safekeeping deposit of the beneficiary.
(2) The bank is hereby expressly authorised to keep securities issued in Austria abroad, and securities issued abroad in Austria. Likewise it shall be authorised to cause registered securities issued abroad to be registered in the name of the domestic depositary or in that of the nominee of the foreign depositary ("nominee").
(3) The bank shall only be liable towards the entrepreneur for carefully selecting the third-party depositary.

B. Redemption of securities, renewal of coupons, drawing, termination

Section 70. (1) The bank shall ensure detachment of due interest coupons, profit participation certificates and dividend coupons and collect their counter value. The bank shall procure new interest coupons, profit participation certifications and dividend coupons without specific instruction.
(2) Drawings, terminations and other comparable measures in respect of the securities held in safekeeping shall be monitored by the bank insofar as they are published in the official gazette "Amtsblatt der Wiener Zeitung" or in "Mercur Authentischer Verlosungsanzeiger". The bank shall redeem drawn and terminated securities as well as interest coupons, profit participation certificates and dividend coupons.
(3) In case of securities deposited with a third-party depositary, the latter shall assume the obligations described in paragraphs (1) and (2) above. In case of securities held abroad, the

bank shall not be obliged to inform the customer about the numbers of the securities credited and in particular of securities redeemable by drawings; in this event, the bank shall determine by drawing which customers shall be allotted the securities drawn. If, however, numbers of securities redeemable by drawings are notified, they shall only be relevant to the drawing and redemption and only as long as this is practice abroad. If, according to practices abroad, the collection amounts of the drawn securities would have to be distributed on a pro-rata basis and if, in doing so, it would not be possible to represent the remaining parts for individual customers in securities, the customers whose securities are to be redeemed shall be determined by means of a drawing.

C. The bank's obligation to examine documents

Section 71. The bank shall examine once, namely when the securities are delivered to the bank, on the basis of the Austrian documents available, whether Austrian securities are affected by public notification procedures, payment stops and the like. The examination of procedures for the invalidation of securities that were lost or stolen shall be carried out after their delivery too.

D. Notification of conversion or other measures

Section 72. In case of conversion, capital increase, capital reduction, merger, exercise or realisation of subscription rights, request for payment, grouping, change, exchange/conversion offer, coupon increase or other important measures regarding securities, the bank shall, to the extent a relevant notice has been published in the official gazette "Amtsblatt der Wiener Zeitung" or has been communicated in time by the issuing agent or the foreign depository, try to notify the customer thereof. If the customer fails to provide instructions in time, the bank shall act to the best of its knowledge by taking into account the customer's interests and, in particular, realise rights which would otherwise forfeit at the latest point in time possible.

III. TRADE IN FOREIGN EXCHANGE AND FOREIGN CURRENCY

A. Procedure

Section 73. The bank will conclude an agreement with the customer on the purchase of foreign exchange and foreign currency. If it is agreed that the bank will act as commission agent for the customer, the provisions on commission transactions outlined in the section on the trade in securities shall apply accordingly. If the bank contracts with the customer for its own account, no express notification pursuant to Section 405 of the Austrian Commercial Code (UGB) shall be required.

B. Forward transactions

Section 74. (1) In case of forward transactions, the bank shall be entitled to demand from the customer at a reasonable point in time before the due date evidence on the fact that the amount owed by the customer will be received on the agreed account in time. If this evidence is not provided or if, due to other circumstances, it is obvious that the customer will not fulfil his/her obligations, the bank shall be entitled to conclude a closing transaction at the best possible price already prior to the agreed due date.

(2) Even failing a prior agreement, the bank shall be entitled to demand coverage for the risk of loss if, in the opinion of an expert, this risk has increased or if the customer's financial condition has deteriorated. Unless agreed otherwise, coverage shall be provided in cash. The bank shall hold a lien on the assets deposited as coverage. If the customer fails to provide coverage, the bank shall be entitled to conclude a closing transaction at the best possible price.

(3) If the bank concludes a closing transaction pursuant to paragraphs (1) or (2), any resulting price difference shall be debited or

credited to the customer, respectively. Any and all expenses incurred in connection therewith shall be borne by the customer.

IV. FOREIGN CURRENCY LOANS

Section 75. (1) Foreign currency loans shall be repaid in the currency in which they were granted by the bank. Payments made in other currencies shall be considered security payments, unless the bank informs the customer that they will be used for the redemption of the loan.

(2) The bank shall also be entitled to convert an outstanding debt balance in a foreign currency into Austrian currency upon notification of the customer if

- pursuant to statutory or other circumstances for which the bank is not responsible, refinancing in the foreign currency is not possible anymore or
- the entire loan is due for repayment and is not repaid despite reminder or
- in business relations with entrepreneurs the credit risk increases due to the price development of the foreign currency and if the bank does not receive sufficient security within a reasonable period of time.

V. COLLECTION AND DISCOUNT BUSINESS, BILL OF EXCHANGE AND CHEQUE OPERATIONS

A. Scope of application

Section 76. These Terms and Conditions shall apply to bills of exchange, cheques and other collection documents (such as commercial instructions and certificates of obligation).

B. Collecting order

Section 77. The collection of the collection documents mentioned above shall be made on the basis of a collecting order; in this connection, the bank shall not be obliged to accept such collecting order. A purchase (discounting) of the collection documents by the bank shall be agreed upon separately.

C. Timeliness of orders

Section 78. Collection orders shall be received early enough so that they may be carried out in the ordinary course of business without making use of special means of express handling.

D. Rights and obligations of the bank

Section 79. In case of discounting as defined under Sections 41 (2) and (3), the bank shall be entitled to debit the seller with the full nominal amount plus all expenses incurred by the bank; in case of documents denominated in foreign currency, the customer shall also bear the exchange risk.

Section 80. In the events stated above as well as in case of any re-debit of "subject to receipt" credits (Section 41), the claims under securities law for payment of the full amount plus ancillary expenses vis-à-vis the customer and any party obliged under the document shall remain with the bank until cover for the debit balance which results from such re-debit is available.

Section 81. The bank may request the customer to transfer the claim on which the document or acquisition of the same by the customer is based as well as all present and future rights arising from the underlying transactions including the collateral pertaining.

Section 82. The bank shall only be obliged to cash documents made payable upon presentation at its counters if it has received an order from the customer in time and if sufficient coverage is available.

VI. DEFICIENCY GUARANTEE OF THE PROVINCE OF VORARLBERG FOR THE BANK'S LIABILITIES

Section 83. Liabilities existing on 2 April 2003 are covered by a deficiency guarantee scheme, notwithstanding their time to maturity. Liabilities that are created within the agreed transitional period up to 1 April 2007 will continue to be covered by a deficiency guarantee scheme, provided they do not mature after 30 September 2017.