

# General Terms of Business

## Section 1 - Basic rules governing the relationship between the client and the Bank

### 1. Scope of validity and amendments to these Terms of Business and the special conditions governing individual business relationships

#### 1.1 Scope

The General Terms of Business apply to the entire business relationship between the client and the Bank's domestic branches (referred to below as the "Bank"). In addition to this, special conditions govern individual business relationships (e.g. business in securities, payments and savings) which contain differences from or additions to these General Terms of Business; these special conditions are to be agreed with the client at the time an account is opened or when an instruction is given. If the client also has business connections with foreign branches, the banker's lien (par. 14 of these Terms of Business) also safeguards the claims of the foreign branches.

#### 1.2 Changes in dealings with customers who are not consumers

Changes to these Terms of Business and the special conditions are to be offered to the client in text form by no later than two months prior to the proposed date they are to take effect. If the client who is not a consumer has agreed an electronic communication route with the Bank as part of the business relationship (e.g. online banking), the changes may also be offered via this route. The client may approve or reject the amendments before the proposed date they are due to take effect. The client's consent shall be deemed to have been granted if the client who is not a consumer has not rejected the amendment before the proposed date it is due to take effect. The Bank shall make special reference to this deemed approval within the offer. If changes in the conditions governing payment services (e.g. terms governing credit transfers) are offered to the client who is not a consumer, he/she may also terminate the framework agreement for the payment service affected by the changes without notice at no expense before the proposed date on which the changes are to take effect. The Bank shall refer specially to this cancellation right in its offer.

### 2. Banking secrecy and banking information

#### 2.1 Banking secrecy

The Bank is obliged to maintain secrecy concerning all facts and evaluations relating to clients of which it gains knowledge (banking secrecy). The Bank is only permitted to pass on information about the client if it is obliged to do so by legal requirements or the client has given consent or the Bank is authorised to issue such banking information.

#### 2.2 Banking information

Banking information includes general facts and remarks concerning the financial circumstances of the client, his/her creditworthiness and ability to pay; it shall not provide details of account balances, savings, securities accounts or other assets entrusted to the Bank or give details of the drawing of credit facilities.

#### 2.3 Conditions for the issue of banking information

The Bank is authorised to issue banking information concerning legal entities and business people entered on the commercial register as long as the enquiry relates to their business operation. However, the Bank shall not issue such information if the client has given it an instruction to the contrary. The Bank shall only issue banking information concerning other individuals, particularly retail clients and associations, if they have specifically agreed to this either in general or in a particular instance. Banking information is only provided if the enquirer has credibly presented a justified interest in the desired information and there are no grounds to assume that issues of the client which are worthy of protection preclude the issue of the information.

#### 2.4 Recipients of banking information

The Bank shall only issue banking information to its own clients and to other credit institutions for their own purposes or those of their clients.

### 3. Liability of the Bank; contributory liability of the client

#### 3.1 Principles governing liability

In the fulfilment of its obligations the Bank is liable for any culpability of its employees and of individuals contracted to fulfil its obligations. Although the special conditions for individual business relationships or other agreements may specify otherwise, these rules take precedence. If based on culpable actions (e.g. infringing the duties to cooperate as set out in par. 11 of these Terms of Business) the client has contributed to causing a loss, the extent to which the Bank and client must bear the loss or damage shall be determined according to the principles of contributory liability.

#### 3.2 Subcontracted orders

If by reason of its content an order is typically executed in a form requiring the Bank to entrust a third party with its completion, the Bank fulfils the order by the fact that it passes it on to the third party in its own name (subcontracted order). E.g. this concerns the obtaining of banking information from other credit institutions or the safekeeping and administration of securities abroad. In such cases, the Bank's liability shall be limited to the careful selection and instruction of the third party.

#### 3.3 Disruptions to operations

The Bank shall not be held liable for losses caused as a result of force majeure, civil unrest, war or natural disasters or through other events which are not under its control (e.g. strikes, lockouts, traffic disruptions, actions by government authorities within the country or abroad).

### 4. Limits on the client's right who is not a consumer to set off

The client who is not a consumer may only offset claims of the Bank if his/her own claims are uncontested or have been legally established. This set-off restriction does not apply to claims made by customers for the purposes of set-off with its legal basis on a loan or on financing assistance according to Sections 513 and 491–512 of the German Civil Code (BGB).

### 5. Drawing authorisation following death of client

Following the death of the client, the person who claims to be the client's legal successor must provide suitable evidence to the Bank of his/her claims under inheritance law. If an original copy or a certified copy of the deceased client's last will and testament (will, agreement as to succession) as well as the associated record of opening is submitted to the Bank, it is permitted to treat the individual who features therein as the heir or executor as the entitled person, to allow him/her to dispose freely and in particular to render services to him/her in discharge of its obligations. This shall not apply if the Bank is aware that the individual mentioned (e.g. after challenging the will or on account of its nullity) is not entitled to dispose, or if as a result of negligence it has not become aware of this.

### 6. Governing law and place of jurisdiction for clients in the commercial and public sectors

#### 6.1 Validity of German law

The business relationship between the client and the Bank is subject to German law.

#### 6.2 Place of jurisdiction for domestic clients

If the client is a business person and the disputed business relationship is attributable to the operation of his/her business, the Bank may bring an action against the client at the court responsible for the account-maintaining branch or at another competent court; the same applies in the case of a legal entity under public law and public funds. These clients may only take action against the Bank itself through the court which is responsible for the account-maintaining branch.

#### 6.3 Place of jurisdiction for foreign clients

The agreement on the place of jurisdiction also applies to clients who run a comparable commercial operation abroad and to foreign institutions which are comparable to domestic legal entities under public law or to a domestic public fund.

## Section 2 - Account operation

### 7. Account balancing statements for current accounts

#### 7.1 Issuing account balancing statements

Unless otherwise agreed, in the case of a current account the Bank issues an account balancing statement at the end of each calendar quarter in which any claims on either side which have arisen during the relevant period (including interest and the Bank's charges) are offset against one another. The Bank may charge interest on the balance resulting from offsetting in accordance with par. 12 of these Terms of Business or another agreement concluded with the client.

#### 7.2 Time limit for objections; tacit approval

The client must raise objections to inaccuracies or omissions in an account balancing statement no later than six weeks after having received it; should he/she present the objections in text form, it is sufficient to have sent the objection within the six-week time limit. Failure to make timely objections shall be deemed to constitute approval. When issuing account balancing statements, the Bank shall make particular reference to this consequence. Even after expiry of the time limit, the client may insist on the correction of the account balancing statement, but must then prove that his/her account was debited incorrectly or a credit to which he/she was entitled was not made.

### 8. Reversal entries and adjusting entries by the Bank

#### 8.1 Prior to the account balancing statement

The Bank is permitted to reverse inaccurate credits to current accounts (e.g. due to an incorrect account number) by the next account balancing statement by way of a debit entry in case it is entitled to a repayment from the client (reversal entry); in this case the client may not object that he/she has already withdrawn the amount credited.

#### 8.2 After the account balancing statement

Should the Bank only establish that there is an incorrect credit entry after an account balancing statement and it has claim against the client for repayment, it shall debit the client's account for the amount of its claim (adjusting entry). If the client raises objections to the adjusting entry, the Bank shall credit the amount back to the account and assert its claim to repayment separately.

#### 8.3 Notifications to the client; calculation of interest

The Bank shall notify the client of reversal and adjusting entries without delay. The Bank shall process these entries in respect of the calculation of interest retrospectively to the day on which the incorrect entry was made.

### 9. Direct debit orders

#### 9.1 Granting of conditional credit entries at presentation

When the Bank credits the equivalent amount of cheques and direct debits before they are honoured, this happens subject to their payment, even if they are payable at the Bank itself. If the client presents other papers with the order to procure an outstanding amount from a debtor (e.g. interest coupons), and the Bank issues a credit note for this amount, this is done subject to the Bank actually receiving the amount in question. This reservation also applies if the cheques, direct debits and other papers are payable at the Bank itself. If cheques or direct debits are not honoured or the Bank does not receive the amount concerned of the direct debit, the Bank will reverse the conditional credit entry. This takes place irrespective of whether an account balancing statement has been issued meanwhile.

#### 9.2 Honouring direct debits and cheques made out by the client

Direct debits as well as cheques are honoured as long as the debit entry is not reversed by the second banking day<sup>1</sup> no later than the third banking day for SEPA direct debit payments at the latest after it is made. Open cheques are already honoured on payment to the presenter. Cheques are also honoured if the Bank sends out an advice of payment in the particular case. Cheques which are presented via the Bundesbank clearing house are honoured if they have not been returned by the date set by the Bundesbank.

### 10. Foreign currency transactions and risks entailed by foreign currency accounts

#### 10.1 Order execution in the case of foreign currency accounts

Foreign currency accounts of the client are used for making payments to the client and withdrawals by the client in foreign currency without the use

of cash. Withdrawals of balances on foreign currency accounts (e.g. by credit transfers debited to the foreign currency balance) are settled by banks in the home country of the currency if not entirely executed by the Bank within its own operation.

#### 10.2 Credits in the case of foreign currency transactions with the client

If the Bank concludes a transaction with the client (e.g. a forward exchange deal), from which it is due to furnish an amount in foreign currency, it will fulfil its foreign currency obligation by means of a credit to the client's account in this currency, unless there is a different arrangement.

#### 10.3 Temporary restriction on payment by the Bank

The obligation of the Bank to execute an instruction to debit a foreign currency balance [(1)] or to fulfil a foreign currency liability [(2)] is postponed in terms of its extent for as long as the Bank is unable, or only a limited extent able, to draw on the currency in which the foreign currency balance or liability is denominated, as a result of political measures or events in the country of the currency in question. To the extent that, and as long as, these measures or events last, the Bank is also not obliged to carry out the obligation at a different place outside the country of the currency, in a different currency (also not in euros) or by acquiring cash. Conversely, the Bank's obligation to execute an instruction to debit a foreign currency balance is not postponed if the Bank is able to execute it entirely within its own operation. The right of the client and of the Bank to set off reciprocal claims in the same currency is not affected by the above rules.

#### 10.4 Exchange rate

The determination of the exchange rate in foreign currency operations is found in the "List of Prices and Services" (Preis- und Leistungsverzeichnis). In the case of payment services the master agreement on payment services (Zahlungsdienstleistungsvertrag) applies in addition.

## Section 3 - Duties of the client to cooperate

### 11. Duties of the client to cooperate

#### 11.1 Notification of changes

In the interests of the orderly processing of business transactions it is necessary for the client to notify the Bank immediately of any changes to his/her name or address as well as the extinguishment or alteration of a power of representation granted to the Bank (particularly a power of attorney). This notification obligation also applies if the power of representation has been entered on a public register (e.g. the commercial register) and its extinguishment or amendment is entered in this register. Additionally more extensive statutory notification obligations may result – particularly those as a result of the Money Laundering Act.

#### 11.2 Clarity of instructions

The content of instructions must be clear. Orders which are not formulated clearly may lead to queries which can result in delays. Above all, the client must ensure the accuracy and completeness of information concerning orders, particularly the account number and bank code or IBAN<sup>2</sup> and BIC<sup>3</sup> as well as the currency. Changes, confirmations or repeats of orders must be clearly marked as such.

#### 11.3 Special note in the case of urgency in the execution of an order

If when executing an order the client considers that particular speed is necessary, he/she must notify the Bank of this separately. In the case of standard order forms, this should be communicated separately from the form.

#### 11.4 Checking and objections to notifications from the Bank

The client must immediately check bank statements, contract settlement notes, statements of securities and income statements, other statements, advices on the execution of orders and information concerning expected payments and consignments (advices) to ensure they are accurate and complete and must immediately raise any objections.

#### 11.5 Notification of the Bank if notifications are missed

If the client does not receive account balancing statements and statements of securities, he/she must notify the Bank immediately. The duty of notification also exists in the case of the absence of other notifications expected by the client (contract settlement notes, bank statements after the execution of the client's orders or concerning payments expected by the client).

<sup>1</sup> Banking days are all business days apart from: Saturdays, and 24 and 31 December.

<sup>2</sup> International Bank Account Number.

<sup>3</sup> Bank Identifier Code.

## Section 4 - Costs of the Bank's services

### 12. Interest, fees and expenses

#### 12.1 Interest and fees in business with consumers

The level of interest and fees for the normal banking services provided by the Bank to consumers, including the level of payments exceeding the fees agreed for the main service provided, are shown in the Price List - Rates for Standardised Retail Client Business ("Price List") and the List of Prices and Services. When a consumer makes use of one of the main services listed and no deviating agreement is in force, the rates of interest and fees set out in the Price List or List of Prices and Services at this time apply. The Bank may only come to a specific agreement with the consumer concerning a payment by the consumer which exceeds the agreed fee for the main service even if it is shown on the Price List or List of Prices and Services.

Provided no other agreement applies, the statutory provisions apply to payments for services not included on the Price List or List of Prices and Services carried out on behalf of the consumer which, in view of the circumstances, can only be expected in return for a fee.

Provided that the Bank grants interest for current account balances to individual customer groups by agreement, the interest rate is variable and staggered. The interest rate may differ depending on the deposit amount. It may therefore be different for amounts up to EUR 100,000, for example, than for amounts in excess of this. The Bank is entitled to adjust the interest rate as well as the interest rate scale in accordance with the conditions on the money and/or capital market, considering the refinancing possibilities by increasing or decreasing it. The Bank will notify the customer in text form about any change in the interest rate and the applicable interest rate scale. The information may also be provided by statement of account. The interest rate change takes effect upon receipt of the information, e.g. posting on the customer's web portal, unless otherwise notified in the notification.

Interest is calculated daily and credited to the clearing account on the last banking day of the quarter. The interest calculation is based on the day-count convention "actual/360". The interest calculation starts on the calendar day when the amount is credited to the clearing account and ends on the calendar day when the Bank receives the Customer's order to withdraw the balance. Withdrawals in cash are not possible. Withdrawals from the clearing account are only possible in favor of the respective reference account.

#### 12.2 Interest and fees in business with clients who are not consumers

The level of the interest and fees for the normal banking services provided by the Bank for clients who are not consumers can be found in the Price List and the List of Prices and Services, provided the said lists cover normal banking services for clients who are not consumers (e.g. business clients).

If a client who is not a consumer uses a banking service which is listed and no deviating agreement is in force, the rates of interest and fees applicable at this time in the Price List and List of Prices and Services shall apply.

In other respects, unless a different agreement has been made and in the absence of conflicting statutory provisions, the Bank shall determine the level of interest and fees at its own discretion (Section 315 of the German Civil Code (Bürgerliches Gesetzbuch; BGB)).

#### 12.3 Services provided without fees

The Bank shall not charge a fee for a service to which it is obligated by law or on the basis of an ancillary contractual duty or which it undertakes in its own interest, unless it is permitted and levied in line with the law.

#### 12.4 Changes in interest rates for loans; right of client to cancel in the event of an increase

Changes in the interest charged on variable-rate loans are made on the basis of a loan agreement with the client. The Bank shall notify the client of changes in the rate of interest. In the event of an increase in the rate of interest, unless agreed otherwise, the client may cancel the loan agreement concerned with immediate effect within six weeks of the notification of the change being made. If the client terminates the agreement, the increased rate of interest shall not be used as basis for the cancelled loan agreement. The Bank shall allow a reasonable amount of time to process it.

#### 12.5 Changes in fees for services with clients who are not consumers which are typically used constantly

Changes in the fees for bankingservices typically used constantly by clients as part of the business relationship (e.g. account and portfolio manage-

ment) are offered in text form to the client who is not a consumer by no later than two months before the date on which they are due to come into effect. If the client who is not a consumer has agreed an electronic communication route with the Bank as part of the business relationship (e.g. online banking), the changes may also be offered by this means. The client may approve or reject the amendments before the proposed date they are due to take effect. The client's consent shall be deemed to have been granted if the client who is not a consumer has not rejected the amendment before the proposed date it is due to take effect. The Bank shall make special reference to this deemed approval within the offer. When changes are offered to the client who is not a consumer, he/she may also terminate the contract affected by the changes free of charge and with immediate effect before the proposed date the changes are due to be introduced. The Bank shall refer specially to this cancellation right in its offer. If the client terminates the agreement, the altered fees shall not be applied to the terminated business relationship.

#### 12.6 Reimbursement of expenses

Possible claims by the Bank to the reimbursement of expenses are governed by the provisions of the law.

#### 12.7 Special features of consumer loan agreements and payment services contracts with consumers for payments inside the European Economic Area (EEA) in an EEA currency

In the case of consumer loan agreements and payment services contracts with consumers for payments inside the European Economic Area<sup>4</sup> (EEA) in an EEA currency<sup>5</sup> the rates of interest and costs (fees and expenses) are governed by the relevant contractual agreements and special conditions as well as, in addition, the provisions of the law.

## Section 5 - Collateral for the Bank's claims against the client

### 13. Provision of or increase of collateral

#### 13.1 Claim of the Bank for collateral to be provided

For all claims arising from the banking business connection the Bank may demand that collateral be provided for banking purposes, even if the claims are conditional (e.g. reimbursement of expenses owing to the use of a surety taken on for the client). If the client has taken on the duty to indemnify the Bank for another client's liabilities (e.g. as a guarantor), the Bank shall only have a claim for collateral to be provided or increased with regard to the debt resulting from the assumption of liability once it becomes due.

#### 13.2 Change of risk

If, at the time claims arise against the client, the Bank has initially refrained partially or entirely from demanding the provision or increase of the collateral, it may still demand further security later on. However, this is contingent upon circumstances arising or becoming known which justify an increased risk assessment of the claims against the client. This may particularly be the case if

- the client's financial circumstances have deteriorated or threaten to deteriorate, or
- the existing value of the collateral has fallen or threatens to be reduced.

The Bank has no entitlement to collateral if it is specifically agreed that the client does not have to furnish collateral or is only required to furnish specifically mentioned collateral. In the case of consumer loan agreements there is only a claim to the provision or increase of collateral insofar as the collateral is specified in the loan agreement; if, however, the net loan amount exceeds 75,000 Euro, the Bank may demand that collateral be provided or increased even if a consumer loan agreement or a general consumer loan agreement within the meaning of Section 491 (2) of the German Civil Code (Bürgerliches Gesetzbuch; BGB) which is concluded, in the former case, before 21 March 2016 and, in the latter case, from 21 March 2016 does not contain any or any exhaustive indications as to collateral.

#### 13.3 Setting a time limit for furnishing or increasing collateral

The Bank shall set an appropriate time limit for the collateral to be furnished or increased. If the Bank intends to use its right to a termination without notice in accordance with par. 19.3 of these Terms of Business in case the client does not punctually comply with his/her duty to furnish or increase the collateral, it shall notify him/her of this beforehand.

<sup>4</sup> Currently the European Economic Area includes the following countries: Austria, Belgium, Bulgaria, Cyprus, Czech Republic, Denmark, Estonia, Finland, France (including French Guiana, Guadeloupe, Martinique, Mayotte, Réunion), Germany, Greece, Hungary, Iceland, Ireland, Italy, Croatia, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden.

<sup>5</sup> Currently the EEA currencies include: euro, Bulgarian lev, Croatian kuna, Czech koruna, Danish krone, Hungarian forint, Icelandic krone, Norwegian krone, Polish zloty, Romanian leu, Swedish krona, Swiss franc.

## 14. Agreement on a lien in favour of the Bank

### 14.1 Reaching agreement on the lien

The client and the Bank are in agreement that the Bank shall hold a lien on the securities and articles of which a domestic branch has or will gain possession during banking operations. The Bank also acquires a lien on the claims of the client against the Bank which have arisen or will arise in future through the banking connection (e.g. account balances).

### 14.2 Secured claims

The lien serves to secure all existing, future and conditional claims arising for the Bank and all its domestic and foreign branches against the client from the banking operations. If the client has taken on liability towards the Bank for another client's liabilities (e.g. as guarantor), the lien shall only secure the debt arising through the assumption of liability from the date it becomes due.

### 14.3 Exceptions to the lien

If money or other valuables come under the Bank's control on condition that they are only used for a particular purpose (e.g. cash deposit to honour a bill), the Bank's lien does not cover these valuables. The same applies to the shares issued by the Bank (treasury shares) and to the securities held by the Bank in safekeeping abroad for the client. The lien also does not extend to the participation rights or participation certificates issued by the Bank itself or to the securitised and nonsecuritised subordinated liabilities of the Bank.

### 14.4 Interest coupons and profit participation certificates

If securities are subject to the Bank's lien the client is not entitled to demand surrender of the interest coupons and profit participation certificates pertaining to these papers.

## 15. Security interests in collection items and discounted bills

### 15.1 Transfer of title for security purposes

The Bank acquires a non-possessory lien on the cheques and bills presented to it for collection at the time of their presentation. The Bank acquires unrestricted ownership of discounted bills at the time of negotiation; if it re-debits discounted bills to the account, it retains a nonpossessory lien on the bills concerned.

### 15.2 Assignment by way of security

On acquisition of the ownership of cheques and bills the underlying claims also pass to the Bank; there is also a passage of the claim if other papers are presented for collection (e.g. direct debits, commercial negotiable instruments).

### 15.3 Special-purpose collection items

If collection items are presented to the Bank on condition that the countervalue may only be used for a specific purpose, the transfer of title for security purposes or assignment by way of security shall not affect these items.

### 15.4 Secured claims of the Bank

The non-possessory lien and assignment by way of security are used to secure all claims of the Bank against the client on presenting collection items from his/her current accounts or which arise in consequence of the redebiting of non-honoured collection items or discounted bills. At the client's request, the Bank undertakes the retransfer to the client of the non-possessory lien on the items and the claims which have been transferred to it in the event that at the time of the request it does not have any claims to be secured against the client or it does not permit him/her to avail him/herself of the countervalue of the items before their final payment.

## 16. Limitation of the Bank's right to the collateral and mandatory release

### 16.1 Collateralisation limit

The Bank can assert its claim to the provision or increase of collateral until the realisable value of all the collateral equals the total of all claims arising from the banking connection (collateralisation limit).

### 16.2 Release

If the realisable value of all collateral does not just exceed the collateralisation limit temporarily, the Bank must release collateral at its discretion at the client's request in the amount of any excess over the collateralisation limit; it will take the justified interests of the client and of any third-party collateral provider who has furnished security for the client's liabilities into consideration when selecting the collateral for release. In this context, the Bank is also obliged to execute orders for the client concerning the values subject to the lien (e.g. selling securities, paying out savings balances).

### 16.3 Special agreements

If a different method of valuation than the realisable value has been agreed for a particular item of collateral or a different collateralisation limit or a different limit for the release of collateral has been agreed, these shall apply.

## 17. Realisation of collateral

### 17.1 Option of the Bank

If the Bank liquidates the collateral, it shall have the choice among several items of collateral. When liquidating and choosing the collateral to be sold, it shall take the justified interests of the client and of any third collateral provider who has furnished security for the client's liabilities into account.

### 17.2 Credit of the proceeds under the law on value added tax

If the process of liquidation is subject to value added tax, the Bank shall issue the client a credit note for the proceeds which shall serve as an invoice for the delivery of the article serving as collateral and shall be in compliance with the requirements of the law on value added tax.

## Section 6 - Cancellation

## 18. Cancellation rights of the client

### 18.1 Cancellation right at any time

The client may terminate the entire business relationship or individual types of transaction (e.g. the agreement on the use of cheques), for which neither a term nor a deviating rule on termination has been agreed, at any time without observing a notice period.

### 18.2 Termination for cause

If a term or deviating termination arrangement has been agreed for a business relationship, termination without notice will be possible only for good cause which renders it unreasonable for the client, even taking into account the legitimate interests of the Bank, to continue the business relationship.

### 18.3 Statutory cancellation rights

The statutory termination rights will remain unaffected.

## 19. Cancellation rights of the Bank

### 19.1 Cancellation subject to a notice period

The Bank may terminate the entire business relationship or individual lines of business for which neither a term nor deviating cancellation arrangements have been agreed, at any time whilst adhering to an appropriate notice period (e.g. the agreement on the use of cheques providing entitlement to the use of a cheque book). When assessing the notice period, the Bank shall take account of the client's justified interests. The notice period for cancelling a payment services master agreement (e.g. current account or card agreement) and a securities account shall be a minimum of two months.

The Bank may terminate the entire business relationship or individual types of transaction for which neither a term nor a deviating rule on termination has been agreed, at any time whilst observing a reasonable notice period (e.g. the agreement on the use of cheques providing entitlement to the use of a cheque book). When assessing the notice period, the Bank will take into account the client's legitimate interests. The minimum notice period for terminating a payment services master agreement (e.g. current account or card agreement) and a securities account will be two months.

### 19.2 Cancellation of undated loans

The Bank may at any time and without observing a notice period terminate loans and loan commitments for which neither a term nor a deviating rule on termination has been agreed. When exercising this termination right, the Bank will take into account the client's legitimate interests. If special arrangements for the termination of a consumer loan agreement are included in the German Civil Code, the Bank may terminate only in accordance with such provisions.

### 19.3 Termination for cause without adhering to a notice period

It is permissible to terminate the entire business relationship or individual lines of business without giving notice if there is cause which renders it unreasonable for the Bank, even taking into account the client's legitimate interests, to continue. Such good cause includes, without limitation:

- If the client has made incorrect statements as to the client's financial status, provided such statements were of significant importance for the Bank's decision concerning the granting of credit or other operations involving risks for the Bank (e.g. issuing a payment card); for consumer loans, this will only apply if the client has knowingly withheld or falsified information of relevance for assessing creditworthiness and this has led to a faulty assessment of creditworthiness, or
- if a material deterioration in the client's financial situation or in the fair value of an item of collateral occurs or threatens to occur, and by this means the repayment of the loan or the fulfilment of another obligation in respect of the Bank – even realising collateral existing for this purpose – is jeopardised or

- If the client fails to comply with their obligation to furnish or increase collateral as per par. 13.2 of these Terms of Business or on the basis of a different agreement within a reasonable time limit set by the Bank.

If good cause is found in the form of a breach of a contractual obligation, termination will only be permitted after a an appropriate time limit intended to remove the causes of the grievance has passed without success or after a failed written warning, unless this can be dispensed with on the basis of the features of the particular case (Sections 323 (2) and (3) BGB).

#### **19.4 Cancellation of consumer loan agreements in the event of default**

If the German Civil Code provides for special arrangements for termination owing to default on the repayment of a consumer loan agreement, the Bank may only terminate in accordance with such arrangements.

#### **19.5 Termination of a basic account agreement**

The Bank may only terminate a basic account agreement in accordance with the respective contractual arrangements as well as with additional statutory provisions.

#### **19.6 Procedure following termination**

In the event of termination without notice, the Bank will set an appropriate time limit for settlement by the client (in particular for the repayment of a loan), unless immediate action is required (e.g. the return of the cheque book on termination of a cheque agreement).

## **Section 7 - Deposit Protection**

### **20. Protection of deposits**

#### **Information on deposit protection**

##### **20.1 Deposits**

Deposits are credit balances resulting from funds left in an account or from temporary situations deriving from banking transactions and which the Bank is required to repay under the legal and contractual conditions applicable, such as credit balances on current accounts, time deposits, savings deposits, savings bonds and registered bonds. The applicable definitions shall be those set out in Section 2 (3) of the German Deposit Guarantee Act (Einla-

gensicherungsgesetz [EinSiG]) and Section 6 (1) of the By-laws of the Deposit Protection Fund of German Banks (Einlagensicherungsfonds deutscher Banken – Einlagensicherungsfonds), which forms part of the Association of German Banks (Bundesverband deutscher Banken e.V.).

#### **20.2 Statutory deposit protection**

The Bank is assigned to the Entschädigungseinrichtung deutscher Banken GmbH (Compensation Scheme of German Banks) as the institution responsible for the statutory deposit protection of private banks. In accordance with EinSiG and subject to the exemptions provided for therein, the statutory deposit protection scheme protects deposits up to an equivalent of 100,000 euros per depositor. In the cases specified in Section 8 (2) of EinSiG, this amount is increased to 500,000 euros. These cases cover, in particular, amounts resulting from real estate transactions in connection with privately used residential property. Not protected are, in particular, deposits of financial firms, public authorities including regional and local authorities, deposits that have arisen in connection with money laundering or terrorist financing, and bearer bonds. Details are set out in EinSiG, in particular Section 8 thereof.

#### **20.3 Deposit Protection Fund**

The Bank also participates in the Deposit Protection Fund. In accordance with its By-laws and subject to the exemptions provided for therein, the Fund shall protect deposits at a domestic head office or branch office up to the following amount per creditor (protection ceiling):

- (a) (i) 5 million euros for natural persons and foundations with legal capacity irrespective of the term of the deposit; and (ii) 50 million euros for nonfinancial companies, non-profit organisations, associations and non-profit professional organisations, and other creditors referred to in Section 6 (3) of the By-laws of the Deposit Protection Fund. In any event, deposits shall be protected up to a maximum of 15% of the bank's own funds within the meaning of Article 72 of the CRR, with Tier 2 capital only being taken into account up to an amount of 25% of Tier 1 capital within the meaning of Article 25 of the CRR. Further details on calculating the relevant own funds are set out in Section 6 (8) (a) of the By-laws of the Deposit Protection Fund.

- (b) From 1 January 2025: (i) 3 million euros for natural persons and foundations with legal capacity irrespective of the term of the deposit and (ii) 30 million euros for non-financial companies, non-profit organisations, associations and non-profit professional organisations, and other creditors referred to in Section 6 (3) of the By-laws of the Deposit Protection Fund. In any event, deposits shall be protected up to a maximum of 8.75% of own funds within the meaning of subparagraph (a), sentences 2 and 3.
- (c) From 1 January 2030: (i) 1 million euros for natural persons and foundations with legal capacity irrespective of the term of the deposit and (ii) 10 million euros for non-financial companies, non-profit organisations, associations and non-profit professional organisations, and other creditors referred to in Section 6 (3) of the By-laws of the Deposit Protection Fund. In any event, deposits shall be protected up to a maximum of 8.75% of own funds within the meaning of subparagraph (a), sentences 2 and 3.
- (d) For deposits protected until the end of 31 December 2022, the protection ceilings applicable at that time shall continue to apply until the deposit matures, is rolled over or can be cancelled by the customer for the first time or is transferred to one or more foreign branches. For deposits established or rolled over after 31 December 2022, the relevant new protection ceilings shall apply as of the above cut-off dates.

The compensation shall be based on the protection ceiling which has been notified to the Bank as the result of the assessment made by the Auditing Association and which is available on the internet at [www.bankenverband.de](http://www.bankenverband.de). The protection ceiling shall be notified to the customer by the Bank on request.

Not protected are, in particular, deposits of financial firms, public authorities including regional and local authorities, deposits that have arisen in connection with money laundering or terrorist financing, and bearer bonds. For creditors specified under point (a) (ii), (b) (ii) and (c) (ii), deposits with a term of more than 12 months and liabilities from promissory notes loans, registered bonds and comparable debt instruments under foreign law shall not be protected.

Liabilities of banks that were protected until the end of 31 December 2022 in accordance with Section 6 of the version of the Bylaws of the Deposit Protection Fund registered with the Register of Associations on 18 November 2021 shall continue to be protected as provided for thereunder. After 31 December 2022, this grandfathered status shall cease to apply as soon as the liability concerned falls due, can be terminated or otherwise reclaimed, or if the liability is transferred by way of singular or universal succession or is transferred to a foreign branch.

Details on the scope of protection, including the protection ceilings, are set out in the By-laws of the Deposit Protection Fund, in particular Section 6 thereof.

The By-laws shall be made available on request and can also be accessed on the internet at [www.bankenverband.de](http://www.bankenverband.de).

#### Transfer of claims and disclosure of information

##### 20.4 Transfer of claims

To the extent that the Deposit Protection Fund or one of its representatives makes payments to a customer, the amount of the customer's claims against the Bank, together with all subsidiary rights, shall be transferred simultaneously to the Deposit Protection Fund.

##### 20.5 Disclosure of information

The Bank shall be entitled to disclose and make available to the Deposit Protection Fund or one of its representatives all necessary information and documents in this regard.

## Section 8 - Complaint Channels; Ombudsman Scheme

### 21. Complaints procedure and alternative dispute resolution

Customers have the following out-of-court options:

- Customers may address a complaint to the contact point specified by the Bank in its "List of Prices and Services". The Bank will answer complaints in an appropriate manner; where payment services contracts are concerned, it will do so in text form (e.g. by letter, telefax or email).
- The Bank participates in the dispute resolution scheme run by the consumer arbitration body "The German Private Banks' Ombudsman" ([www.bankenombudsmann.de](http://www.bankenombudsmann.de)). Consumers may have any disputes with the Bank resolved by the Ombudsman. Where disputes concerning a payment services contract (Section 675f of the German Civil Code *Bürgerliches Gesetzbuch*) are involved, cus6 40.011 (01/23) tomers who are not consumers also may request their resolution by the Ombudsman. Further details are contained in the "Rules of Procedure for the German Private Banks' Ombudsman", which are available on request or can be downloaded from the Internet at [www.bankenombudsmann.de](http://www.bankenombudsmann.de).
- In addition, customers may make complaints at any time in writing or orally on the record to the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin*), Graurheindorfer Strasse 108, 53117 Bonn, about breaches by the Bank of the German Payment Services Supervision Act (*Zahlungsdienstleistungsaufsichtsgesetz*), Sections 675c – 676c of the German Civil Code (*Bürgerliches Gesetzbuch*) or Article 248 of the Act Introducing the German Civil Code (*Einführungsgesetz zum Bürgerlichen Gesetzbuch*).
- The European Commission has set up a European Online Dispute Resolution (ODR) Platform at <http://ec.europa.eu/consumers/odr/>. Consumers can use the ODR Platform for out-of-court resolution of a dispute arising from online contracts with a company domiciled in the EU.