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## **GENERAL TERMS IN RELATION TO THE ISSUANCE OF LETTER(S) OF GUARANTEE**

### **(THE “LG TERMS”)**

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The LG Terms set out below, govern the relationship between the Customer and Eurobank Cyprus Ltd (Reg. No. HE217050) (the “**Bank**”) in relation to the issuance of Letter(s) of Guarantee (as defined below) issued after 10/04/2023 whereas for Letter(s) of Guarantee issued and/or provided prior to such date such Letter(s) of Guarantee will be subject to terms and conditions of their specific application(s) and/or document(s) and/or agreement(s), unless such Letter(s) of Guarantee has been amended after 10/04/2023.

The LG Terms must, at all times, be read in conjunction with the General Terms Governing the Relationship between Customer-Bank of Eurobank Cyprus Ltd (hereinafter referred to as the “**General Terms**”) and apply as a supplement to any special terms that may be agreed in writing the Instructing Party and the Bank. The present LG Terms come into effect and relate to, the issuance and/or amendment of Letter(s) of Guarantee and/or Counter Guarantee(s).

**The Instructing Party (as applicable) has to read carefully these LG Terms before filling in any application or giving any instructions for the issuance and/or amendment and/or settlement of Letter(s) of Guarantee since, by signing any application, they confirm that they have read, accepted and fully agreed with the LG Terms.**

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## **1. GENERAL**

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### **1.1. GENERAL DEFINITIONS**

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**1.1.1.** Unless otherwise provided, the following terms shall bear the meaning set out herein below:

“**Account**” or “**Bank Account**” as used in the present LG Terms shall be construed as any account at any branch and/or banking center at any place of the Bank, whether such account is in the Instructing Party’s personal name or in the name of any firm in which the Instructing Party is a partner, or in any account in a corporate name, of which Applicant and/or Instructing Party is one of the owners.

“**Application**” means an application, instruction or request by an Instructing Party for the issuance and/or amendment of Letter(s) of Guarantee (whether for itself or for the Applicant) using an application and/or confirmation of application and/or

other document and/or form as may be requested, from time to time, by the Bank.

“**Applicant**” means a person and/or entity (whether physical or legal entity) that may be indicated in a Letter of Guarantee having its obligation under the underlying relationship supported by the Letter of Guarantee. The Applicant may or may not be the same person and/or entity as the Instructing Party and it is further clarified that in case that he/she/it is not the same person and/or entity as the Instructing Party, then he/she/it will not have the authority to provide the Bank with any instructions in respect to an LG Service.

“**Beneficiary**” means the person and/or entity in whose favour a Letter of Guarantee is issued.

“**Complying Demand**” means a Demand that meets the requirements of a Complying Presentation.

“**Complying Presentation**” under a Letter of Guarantee or Counter Guarantee (where applicable) means a presentation that is in accordance with the terms and conditions of that Letter of Guarantee / Counter Guarantee or the rules of URDG758, in case the relevant Letter of Guarantee or Counter Guarantee (as applicable) is expressly governed by URDG758 and/or the law governing such Letter of Guarantee or Counter Guarantee (as the case may be) or in the absence of relevant provisions in the Letter of Guarantee or Counter Guarantee (as the case may be) or the URDG758 or the applicable law, the international standard demand guarantee practice.

“**Correspondent Bank**” means a third Bank and/or credit and/or financial institution (including but not limited to a bank within the Eurobank Group which the Bank is part of) that is named, instructed or procured by the Bank to act as a counter-guarantor and/or guarantor and/or issuing bank and/or advising bank and/or advise through bank in regards to a Letter of Guarantee enabling the Bank to give effect to the Instructing’s Party’s instructions.

“**Counter Guarantee**” means any signed undertaking however named, that is given by the counter guarantor to another party to procure the issue by that other party of a guarantee or another counter guarantee, and that provides for payment upon the presentation of a Complying Demand under the counter guarantee issued in favour of that party.

“**Counter guarantor**” means the party issuing a counter guarantee, whether in favour of a guarantor or another Counter Guarantor, and includes a party acting on its own account.

**“Customer”** has the meaning attributed to it the General Terms and for the purposes of these LG Terms it may also be the Instructing Party.

**“Demand”** means a document signed by the Beneficiary demanding payment under a Letter of Guarantee.

**“Instructing party”** means a physical or legal person and/or entity who maintains bank account(s) with the Bank and who/which provides to the Bank instructions for the issuance of a Letter of Guarantee or Counter Guarantee. Where the expression “Instructing Party” includes more than one person (whether physical or legal) it shall be construed to mean all or any of them and their obligation shall be joint and several.

**“Letter of Guarantee”** means a primary obligation and/or undertaking, however named or described, that is provided by the Bank to the Beneficiary, and that provides for payment upon presentation of a Complying Demand presented under it. For the purpose of these terms, this term shall also be deemed to refer to Counter Guarantees and as may such Letter of Guarantee be amended from time to time.

**“Trade Services Commissions and Fees Table”** means the list of the fees and/or charges and/or commissions and/or banking fees and/or expenses that applies for the provision of trade services and/or products (including, without limitation to the LG Services) and which is available at the Banking Centres and the Website of the Bank, as amended from time to time.

**“URDG 758”** means the Uniform Rules for Demand Guarantees issued by the International Chamber of Commerce, as these may be amended, varied, substituted and applied from time to time.

**1.1.2.** Capitalised words and expressions not defined in the present LG Terms shall, unless the context otherwise requires, have the meaning attributed to them in the General Terms.

**1.1.3.** In case of conflict between the General Terms on the one hand and the LG Terms and/or of any specific and/or separate agreement(s) and/or terms on the other hand in relation to the provision of LG Services by the Bank, the latter will prevail in relation to the provision of trade services and/or products and/or the issuance of Letters of Guarantee and/or Counter Guarantees.

**1.1.4.** Unless contrary indication appears, any reference in these LG Terms to:

a) **the Applicant, the Instructing Party, the Bank** or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees to, or of, its rights and/or obligations under these LG Terms and/or an Application;

b) **include or including** means include or including "without limitation";

c) an authorisation or confirmation by, or instruction from the Applicant and/or the Instructing Party (where applicable) means that such authorisation, confirmation or instruction is irrevocable unless waived by the Bank;

d) a **person** includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium, partnership or other entity (whether or not having separate legal personality) (including executors, administrators of the estate, heirs or successors and assignees, receivers and liquidators and trustees);

e) these **LG Terms** or any other agreement or instrument is a reference to these LG Terms or, as the case may be, other agreement or instrument as amended, supplemented, novated and/or replaced from time to time;

f) the singular shall include the plural and vice versa; and

g) section and clause headings are for ease of reference only.

**1.1.5.** In the case which the Application is signed by more than one person, all of them will be jointly and severally liable for the settlement of all liabilities arising under the Letter of Guarantee.

**1.1.6.** In the Application words denoting the plural shall include the singular and vice versa and the masculine gender shall include the feminine and vice versa.

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## **2. THE APPLICATION**

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**2.1.** These LG Terms shall apply to the below mentioned trade services which the Bank agrees to make available to the Instructing Party at the request of the Instructing Party or procures at the request of the Instructing Party:

**2.1.1** The issuance, amendment and execution of a Letter of Guarantee,

**2.1.2** The issuance, amendment and execution of a Counter Guarantee.

The above shall be collectively referred to as the "LG Services" and each separately as "LG Service".

- 2.2.** It is noted that the Bank does not offer any advice to the Applicant and/or Instructing Party in relation to any LG Service. Whilst the Bank may provide information or express opinions from time to time, such information or opinions are not offered as advice.
- 2.3.** Before applying for, or accepting, any LG Service, the Instructing Party shall make such enquiries and assessments as the Instructing Party considers appropriate and the Instructing Party should place no reliance on the Bank to give advice or make recommendations. If the Instructing Party is in doubt of any LG Service, the Instructing Party should seek independent professional advice (including, but not limited, to any legal or tax advice).
- 2.4.** The Instructing Party hereby acknowledges that the Bank may utilize the services of a Correspondent Bank for the purposes of giving effect to the Instructing's Party instructions and shall do so for the Instructing's Party account and at the Instructing's Party own risk, cost and expense.
- 2.5.** The Bank is authorised to issue a Counter Guarantee in such form and content as determined by the Bank or as requested by the Correspondent Bank as determined by their own requirements and/or process and/or procedures in favour of the Correspondent Bank.

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**3. AUTHORIZATION**

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- 3.1** The Instructing Party hereby authorizes the Bank to issue a Letter of Guarantee or Counter Guarantee under the URDG 758 or Cyprus law or a law different than Cyprus law if expressly indicated in the respective Letter of Guarantee or Counter Guarantee.
- 3.1.** The Instructing Party permits and authorizes the Bank to renew the Letter of Guarantee, or to issue a new Letter of Guarantee in lieu thereof, for the same amount and period, time after time, if the Bank deems fit, and without reference to the the Instructing Party or obtaining a new approval and/or consent by the Instructing Party, and the Instructing Party shall in any case remain liable towards the Bank in respect of all the Instructing Party's undertakings and/or representations and/or warranties under the Letter of Guarantee as may be renewed

as aforesaid and under any such new Letter of Guarantee. It is understood that the Bank is under no obligation to renew the Letter of Guarantee or to give a new Letter of Guarantee in lieu thereof, and that the Bank may exercise at its absolute discretion in this respect without any undertaking or responsibility on the Bank's part.

- 3.2.** The Instructing Party undertakes to return or cause or procure the Applicant to return of, the original Letter of Guarantee to the Bank and to discharge the Bank from the Bank's liability thereunder at the expiry of its validity period. If the Applicant and/or the Instructing Party (as applicable) fails to return or cause the return of the Letter of Guarantee to the Bank, the Instructing Party's undertakings and/or representations and/or warranties hereunder shall remain valid, notwithstanding the expiry of the validity period of the Letter of Guarantee, until such time as the Applicant and/or the Instructing Party (as applicable) return the Letter of Guarantee to the Bank or furnish the Bank with a legal discharge and/or waiver signed by the Beneficiary, cancelling the Letter of Guarantee fully and finally.

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**4. REIMBURSEMENT, WAIVER AND INDEMNITY**

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- 4.1.** The Bank shall not be required and/or obliged in any way to obtain the Applicant's and/or Instructing's Party's approval and/or consent (as applicable) for the payment to the Beneficiary or his representative(s) of any amount under the Letter of Guarantee nor to give the Applicant and/or Instructing Party (as applicable) prior notice of such payment, and the Bank shall have the right to effect payment upon a Complying Demand of the Beneficiary without having to check his accounts or to verify the validity of his claims and/or position against the Applicant and/or Instructing Party (as applicable), or to establish the Applicant and/or Instructing Party's (as applicable) liability under the Letter of Guarantee. The Instructing Party hereby waives any right that the Instructing Party may have to the payment by the Bank of any amount or expenses, whether such payment is effected prior to or after the date on which the Instructing Party's liability under the Letter of Guarantee arises, or the date on which the Complying Demand for payment is made. The Instructing Party further waives its right to object to the Bank's effecting any such payments without its prior approval and/or consent or without giving its prior notice.
- 4.2.** The Instructing Party hereby permits and authorizes the Bank to:-

- 4.2.1.** block forthwith, or at any future time that the Bank may decide at the Bank's discretion, any amount in any currency in any of the Instructing Party's Bank Account(s) as security for the issuance of a Letter of Guarantee, until such time as the Bank's present or future liability under the Letter of Guarantee is at the Bank's opinion fully and finally discharged;
- 4.2.2.** deduct any amount in any currency from any of the Instructing Party's Bank Account(s) which, according to the Bank's estimation and/or opinion, the Bank will be called to pay, or which the Bank has paid. Further, the Bank shall have the right to demand from the Instructing Party or to debit the Instructing's Party Bank Account(s) with the amount of the Letter of Guarantee plus any expenses and/or interest (as applicable) or any part thereof when it falls due in accordance with its terms, or at any time the Bank may deem fit before or after the expiry of the Letter of Guarantee, whether or not the Bank has actually paid any part thereof to the Beneficiary on demand;
- 4.2.3.** increase the amount of the security taken at the time of issuing the Letter of Guarantee without the need of giving reasons for doing so, and the Instructing Party undertakes to pay any amount the Bank demands for this purpose without delay.
- 4.3.** The Instructing Party shall remain liable and responsible towards the Bank at all times and the Instructing Party undertakes to indemnify the Bank for any consequences of whatever nature, whether direct or indirect, arising, whether directly or indirectly, from the issuance of the Letter of Guarantee.
- 4.4.** The Instructing Party further agrees and undertakes to reimburse and pay to the Bank upon demand all the amounts which the Bank may pay at any time as a result of or pursuant to the Letter of Guarantee, including the amount of the Letter of Guarantee, all or any costs, expenses and compensation of any kind, lawyers' and/or advisors' fees and expenses, costs and expenses incurred in connection with any traveling outside Cyprus for any purpose in pursuance and/or in connection with the Letter of Guarantee together with interest as described below and the Instructing Party hereby authorize the Bank to debit the Instructing Party's Bank Account with the Bank for all such amounts, and waive in advance any requirement of addressing to the Instructing Party any notice, warning or protest for non-payment. In each case, payment by the Instructing Party will be made to the Bank in immediately available funds, in the currency provided in the Letter of Guarantee or the equivalent amount in Euro.
- 4.5.** The Instructing Party further authorizes the Bank at any time and without notice to the Instructing Party to transfer and deposit against or towards repayment of any amount due under the present any amount in any currency that may at any time be found standing in the Instructing Party's credit in any Bank Account and the Instructing Party hereby irrevocably authorizes the Bank to effect such transfer and deposit (as applicable). Any receipt issued by the Bank for the purposes of this paragraph shall have the same effect as if it was issued by the Instructing Party.
- 4.6.** The interest to be charged on any amount demanded to be paid by the Instructing Party hereunder shall be the rate of interest to be specified by the Bank from time to time whether in a letter of offer or another document of similar nature or otherwise at a rate of interest which shall be determined by the Bank from time to time. In calculating the interest, the number of days of each month shall be taken as the case may be, but the financial year shall be computed at the fixed divisor of 365 days (or 366 days if it's a leap year). The Bank has the right at its discretion, within the framework of the law, the regulations for monetary and credit control in force from time to time, the market conditions and the liquidity and funding costs, to vary (either upwards or downwards), at any time, the Base Interest Rate of the Bank (including the default rate of interest referred to above), the commission and/or the Bank's fees and expenses, the method of calculation of the applicable EURIBOR or USD LIBOR or GBP TSRR or the Base Interest Rate of the Bank (as the case may be) or another benchmark rate, the time of their payment and generally to make any related variation and such variation will be binding on the Instructing Party and the Instructing Party will be informed through an announcement in the daily press or through the Bank's Website or electronic channels or by a written notice and any such variation will take effect from the date specified in such announcement or written notice.
- 4.7.** Provided always that if the available balances of the Instructing Party's Bank Accounts are not sufficient, without prejudice to the Bank's rights under the present LG Terms or Application or otherwise, the Instructing Party undertakes to pay the Bank in cash upon the Bank's first demand all the amounts which the Bank may pay at any time as a result of or pursuant to the Letter of Guarantee, including the amount of the Letter of Guarantee, all or any commission, costs, expenses and compensation of any kind, lawyers' and/or advisors' fees and expenses together with interest as described above.
- 4.8.** If the Letter of Guarantee is for the delivery of goods or documents or both, whether such goods or documents are in the Instructing

Party's name or in the name of the Bank and/or any other party, the Instructing Party shall not hold the Bank responsible for any consequences arising from the delivery of such goods or documents, or both, to the Instructing Party. The Instructing Party hereby acknowledges and/or accepts that the clearance of the goods from customs, or its taking delivery on the basis of the Letter of Guarantee, constitutes an acknowledgement on the Instructing Party's part that the Instructing Party has checked the documents and examined the goods, and found them correct in accordance with the Instructing Party's order, and that the documents conform with the terms of the relevant letter of credit, (if applicable) and that the Instructing Party accept them in their present form and condition even if any discrepancies or differences should be found in the documents or between the goods received and those which were ordered in accordance with the relevant letter of credit or under the relevant agreement, or received against documents sent on collection basis. The Instructing Party undertakes to settle the value of the goods to the party concerned and, in any case, the Instructing Party assumes full responsibility for taking delivery and shall have no right of recourse against the Bank for any responsibility arising therefrom, and the Instructing Party undertakes to indemnify the Bank for any damages, losses and liabilities which the Bank may sustain or incur in consequence or as a result of the Letter of Guarantee or the relevant letter of credit. The Instructing Party further undertakes to pay the price of the goods according to the exporters' claim irrespective of the records of the guaranteed amounts shown in the Bank's books and accounts.

**4.9.** The Instructing Party acknowledges that in the case which it authorizes the Bank and/or requests that the Bank issues a Letter of Guarantee or Counter Guarantee governed by a law other than Cyprus law or if a Letter of Guarantee is issued via a Correspondent Bank outside the Republic of Cyprus and its governed by a law other than Cyprus law, the Bank may not be able and/or in a position to confirm relevant references to such foreign law and the Instructing Party expressly waives any demand, claim or right the Instructing Party may have against the Bank as a result of the Bank's acting upon all or part of its instructions as aforementioned.

**4.9.1.** The Bank, in accordance with the provisions of the present LG Terms, will charge the Instructing Party any and all commissions, fees and expenses that the Bank itself is charged by the Correspondent Bank.

**4.10.** Notwithstanding any other provision in the present LG terms, the Instructing Party agrees to indemnify the Bank and keep the Bank

indemnified at all times for any demand, claim or action brought against it or for any expenses, losses, charges or damages that the Bank may incur as a result of the Bank's agreeing to submit a request following the Instructing Party's instructions to a Correspondent Bank to proceed with the issuance of a Letter of Guarantee and having it governed under the provisions of a law other than Cyprus law. Following the Bank's decision to act as above, the Instructing Party (shall not, at any time, hold the Bank liable and/or dispute the Bank's acting upon the Instructing Party's instructions and/or orders mentioned above.

**4.11.** The Instructing Party also agrees to indemnify the Bank and keep the Bank indemnified at all times for any costs and expenses it may incur as a result of seeking legal advice, including, but not limited to lawyer's fees, costs and disbursements (whether such advice is required Cyprus law or foreign law).

**4.12.** The Instructing Party acknowledges that the Bank shall not be responsible for any delays in transmission, non-transmission and/or interruption and/or malfunction and/or intrusion and/or the consequences arising from causes beyond the Bank's control.

**4.13.** The Instructing Party acknowledge that the Bank has the right at any time and at its discretion to refuse to act upon the Instructing Party's instructions or any part of them or to provide any LG Service at any time and the Instructing Party expressly waives any demand, claim or right the Instructing Party may have against the Bank as a result of the Bank's not acting upon all or part of its instructions and/or acting upon them wrongfully.

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## **5. EXPENSES (FEES & COSTS) AND CHARGES**

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**5.1.** In addition to the contractual or legal interest, charges, duties, commissions and fees as determined by the Bank from time to time in the Bank's Commission and Charges Table and/or Card Charges, Commissions & Interest Table and/or U-Banking Special Commissions & Charges Table and/or the Trade Services Commissions and Fees Table, the Instructing Party shall also be charged with any other expense arising from its contractual relationship with the Bank, or from the Bank's practice or which the Bank sustains in order to provide its services to the Applicant and/or Instructing Party (as applicable), including, without limitation, all possible types of taxes, duties or charges of a similar nature, insurance premiums, telephone or postal duties and other disbursements. The aforesaid tables are available at the Bank's Website and at the Banking Centres.

5.2. The Instructing Party hereby authorizes the Bank to debit, on the date of issuance of the Letter of Guarantee, the Instructing Party's Bank Account(s) with the Bank with commission and charges for the period of the Letter of Guarantee and also commission at the same rate for any renewal thereof and until the Letter of Guarantee is finally discharged according to the Bank's records and also with commission and charges stipulated in the Trade Services Commissions and Fees Table to this end, the Bank is hereby authorized to debit Instructing Party's Bank Account(s) without notice.

5.3. The Instructing Party declares and acknowledges that the books and bank accounts of the Bank shall be deemed as correct and final, and the Instructing Party undertakes to pay any amounts due from the Instructing Party in accordance therewith and waive its right to raise any objection thereto.

5.4. The Instructing Party shall bear all costs and expenses whatsoever incurred in relation to the granting, management and realization of collateral granted as security, as well as in relation to the seeking of recourse against third persons, such as storage charges, supervisory or surveillance expenses, insurance premiums, estate agency commissions, legal fees and all other disbursements.

5.5. If any sum (a "Sum") due from the Instructing Party under these LG Terms and/or in relation to the Letter of Guarantee and/or in relation to an LG Service or any order, judgement, award or decision given or made in relation thereto has to be converted from the currency (the "**Contractual Currency**") in which such Sum is payable into another currency (the "**Relevant Currency**") for the purpose of:

- (i) making or filing a claim or proof against Applicant and/or the Instructing Party (as applicable); or
- (ii) obtaining or enforcing an order, judgment, award or decision in any court, arbitral proceedings or other tribunal,

The Instructing Party shall, as an independent obligation, within three (3) days from demand, to indemnify the Bank from and against any loss, cost or liability suffered, incurred or arising out of or as a result of the conversion, including any discrepancy between:

- (1) the rate of exchange used to convert such Sum from the Contractual Currency into the Relevant Currency; and
- (2) the rate or rates of exchange available to the Bank at the time of receipt of such Sum.

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## 6. AMENDMENTS

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6.1. The present LG Terms govern all the relationships between the Bank and the Instructing in respect to the LG Services and are not limited to a single transaction or facility that the Bank may grant. The Instructing Party and the Bank may execute and/or enter into any other agreement deviating from these LG Terms subject always to the provisions of any applicable legislation and, in case of conflict between these LG Terms and the terms of such other agreement, the terms of the other agreement shall prevail to the extent that they do not conflict with any legislation, and any matter not dealt with in the other agreement shall be construed as per these LG Terms and the relevant provisions of these LG Terms shall apply.

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## 7. GOVERNING LAW

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7.1. These LG Terms shall be governed by and construed in accordance with the laws of the Republic of Cyprus and the Instructing Party hereby irrevocably agrees to submit to the jurisdiction of the Courts of the Republic of Cyprus, provided that the Bank shall have the right to proceed with any legal proceedings against the Instructing Party in any other jurisdiction concurrently and independently from the commencement or existence of any legal action in Cyprus.

7.2. The Instructing Party declares that he/she/it fully understands its right to request and receive independent legal advice and to assess all the provisions of the supplementary agreement and/or terms and conditions relating to the specific products / services which by the present the Instructing Party is applying for, with a lawyer of the Instructing's Party choice.