

LOAN FINANCING CONDITIONS

investment loan – FARMER INVEST

1. Product user	
1.1 Eligible clients	Private individuals – registered farm owners with address on territory where Republic of Serbia has full jurisdiction, for which Credit bureau report can be obtained through Association of Serbian banks that are entered into farmers' registry and are in active status.
2. Description of key features of the loan product	
2.1 Loan type	Investment loan.
2.2 Tenor of the loan	For dinar loans: Up to 60 months. For loans with a currency clause: 25 – 120 months. Grace period up to 12 months included into loan repayment period. Calculation of interest during grace period is done monthly.
2.3 Total loan amount	From 5.000 to 500.000 EUR.
2.4 Deposit / down payment	Own participation: Minimal 20%.
2.5 Currency in which the loan is approved, in case of the loan with contracted FX clause and exchange rate type (level of official middle exchange rate), as date of calculation	1. RSD. 2. EUR in dinar counter value*.
2.6 Purpose	Purchase of mechanization, equipment, land, real estate for agricultural production (coolers, farms etc.), investment in greenhouse, hot/glass house, perennial crops – orchards, vineyards, main cattle herds, irrigation systems etc.
2.7 Periods when installments fall due for payment	Monthly, quarterly or semi annually.
2.8 Manner of loan disbursement	By transfer to the seller's, account according to the proforma invoice/invoice/purchase agreement and exceptionally by transfer to the account of the loan user in the Bank.
2.9 Manner of loan repayment and pay-out of annuities	Equal monthly, quarterly or semi-annual annuities in dinars or in dinar counter value**.

* Calculation is done based on official middle exchange rate of NBS on the day of loan disbursement.

** Calculation is done based on official middle exchange rate of NBS on the day of payment / repayment.

3. Loan expenses	
3.1 Level and variability of annual nominal interest rate	<p>1. For dinar loans: 3m BELIBOR + 9% annually, variable.</p> <p>Harmonization of interest rate with the amount of the quarterly BELIBOR-a will be done quarterly: 28. March, 28. June, 28. September and 28. December.</p> <p>The value of the three-month BELIBOR is taken as its value valid on the adjustment date. The value is applied for the calculation of interest for all months in the quarter following the adjustment date, and the calculation is performed on the 28th of the month for the previous month.</p> <p>The amount of the interest rate, at the loan disbursement, is determined based on the value valid for the current three-month period.</p> <p>2. For loans with a currency clause: 6m Euribor + 9,00% annually, variable</p> <p>Harmonization of interest rate with the amount of the semi-annual EURIBOR-a will be done semi-annually: 28. June and 28. December.</p> <p>The value of the six-month EURIBOR is taken to be its value valid on the adjustment date. The value is applied for the calculation of interest for all months in the half year following the adjustment date, and the calculation is performed on the 28th of the month for the previous month.</p> <p>The amount of the interest rate, at the loan disbursement, is determined on the basis of the value valid for the current six-month period.</p>
3.2 Method of interest calculation	Proportional method 28-31/360.
3.3 Default Interest rate	<p>Legal default interest rate if it is higher than contracted IR, otherwise the contracted interest rate.</p> <p>Legal default interest rate is in accordance with the Law regulating its level.</p>
3.4 Type and level of all fees	<ol style="list-style-type: none"> 1. 2 B/E: 100 RSD, onetime payment 2. Credit bureau report of PI: 246 RSD, onetime payment 3. Fee for maintaining the Special purpose current account of farmers: RSD 220 per month, discount until September 1, 2023 RSD 195 per month (only if the user does not have a Special purpose current account of the farmer in the Bank). 4. Mortgage/pledge: Fee for registration of mortgage/pledge based on tariff of entity that is in charge of registration

	<p>5. Insurance policy according to tariff of issuing company</p> <p>6. Disbursement fee:</p> <ul style="list-style-type: none"> • Disbursement fee for loans with tenor up to 36 months: <ul style="list-style-type: none"> – 0,5% of loan amount in dinar counter value*. • Disbursement fee for loans with tenor over 36 months: <ul style="list-style-type: none"> – 1% of loan amount in dinar counter value*, onetime payment prior to loan disbursement.
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* Calculation is done based on official middle exchange rate of NBS on the day of loan disbursement.

4. Other relevant information	
4.1 Conditions and manner of early loan repayment	According to Financial services consumer protection law and loan contract.
4.2 Collateral	<ol style="list-style-type: none"> 1. 2 blank bills of exchange signed by registered farm owner – loan user. 2. Guarantee of spouse. 3. Guarantee of connected client legal entity/ entrepreneur (6 signed blank bills of exchange with authorization + 1 for each consecutive year of repayment), if exists. 4. First rank mortgage on real estate appraised by certified appraiser acceptable to the Bank or pledge on movable assets. 5. Insurance policy vinculated in favor of the Bank, issued by insurance company acceptable by the Bank (if mortgage is placed on land insurance policy is not obligatory).

These conditions are published on 01.12.2022. year, and are apply from 16.12.2022. year.