

DEBT RECOVERY PROCEDURE FOR MORTGAGE LOANS

This Debt Recovery Procedure of UAB Bendras finansavimas, legal entity code 303259527 (hereinafter referred to as 'SAVY') sets out the measures that SAVY applies to borrowers who do not fulfil their obligations to investors in a timely manner (who are in debt).

The borrowers shall receive invoices on the first days of the month which are due for the payment by the 5th, 15th or 25th of the month (depending on the particular payment schedule). If a Borrower (hereinafter referred to as the '**Client**') fails to perform the obligations when due, the following debt management actions shall be carried out in the following order:

1. SAVY **reminds the Client by SMS of the upcoming due date of the instalment** and advises that the 5th, 15th, 25th day of the month (as specified in the Client's particular payment schedule) is the last date for payment of the instalment.
2. SAVY informs the Client **by e-mail** that the applicable interest and late payment interest and the Client's data will be placed in the system of the credit bureau *UAB Creditinfo Lietuva/UAB Scorify* in case of further delay in the fulfilment of the obligations.
3. The SAVY employee **makes a call** to remind the Client once again of the outstanding amount.
4. SAVY sends an **SMS message** urging the Client to pay the instalment as soon as possible and avoid recovery actions.
5. SAVY sends an **e-mail warning** about the registration of the debt in the database of *UAB Creditinfo Lietuva/UAB Scorify* and the intention to transfer the debt management to the SAVY Debt Recovery Department.
6. In the event the Client fails to perform the obligations for 40-45 days, the information about the debt will be registered in the database of *UAB Creditinfo Lietuva/UAB Scorify* to prevent the Client from assuming more financial obligations.
7. SAVY shall assess all relevant circumstances when deciding on the means and manner of recovery of the debt from the Client in each individual case, including but not limited to, the Client's intentions to act in good faith to fulfil the obligations to the investors, the likely extent of fulfilment of the obligations, the objective possibilities to continue to fulfil the obligations to the investors in a satisfactory manner, the economic situation, and any other relevant circumstances.
8. SAVY initiates the termination of the Agreement with insolvent Clients after six (6) unpaid instalments in accordance with the Loan Payment Schedule. In case of a Client's complete non-payment or insufficient payments, SAVY may initiate termination of the Agreement after four (4) unpaid instalments (material breach of the Agreement - non-performance or improper performance of the Client's obligations under the Agreement for more than ninety (90) days).
9. In the event of breach of the Agreement by the Borrower, the Lender shall notify the Borrower of the breach of the Agreement and set a term of at least thirty (30) days for the elimination of the breach of the Agreement. If the Borrower has not remedied the breach within the term specified in the notice and the Borrower is deemed to be in material breach of the Agreement, the Lender shall re-notify the Borrower of the breach and set a time limit of at least thirty (30) days to remedy the breach. If the Borrower fails to remedy the breach within the period specified in the repeated notice, the Agreement shall be deemed terminated without separate notice.
10. SAVY shall seek to ensure that the obligations to investors are fulfilled in the most expeditious and cost-effective manner in good faith by the Client. In order to achieve this goal, SAVY may conduct negotiations with the Client regarding the procedure, terms and conditions for the fulfilment of outstanding obligations.
11. SAVY shall be entitled to satisfy the claims from the value of the items pledged by the Client for the benefit of the investors, i.e. in the event of the Client's failure to perform the obligations in a timely and proper manner, SAVY may, by notice to the Client, commence the enforcement proceedings of a mortgage and/or the pledge if all possibilities to agree with the Client on the terms and conditions for the performance of the obligations have been exhausted, or if there are other circumstances which suggest that the obligations will not be performed or will be performed on terms and

conditions which are unfavourable to the investors (e.g. on an extremely small scale, unreasonably prolonged delay in the performance of the obligations, etc.).

12. In the event the Client fails to fulfil the obligations within the specified notice period in case of a mortgage/pledge, SAVY shall apply to the notary for the execution of an executive record as provided for in Article 4.192 of the Civil Code of the Republic of Lithuania. The notary's execution record shall be an enforceable and executable document and shall be submitted to the bailiff for execution immediately upon receipt thereof and in accordance with the procedure laid down by the Civil Procedure Code of the Republic of Lithuania. The enforcement record shall be submitted to the bailiff and the compulsory recovery of the debt shall be initiated. The debtor shall be sent a reminder to pay the debt in good faith within one (1) month. If the debt is not paid in good faith, the property shall be sold at auction. At the first auction, the starting price of the property shall be set at 80% of the estimated market value. At the second auction (if the property is not sold at the first auction), the starting price shall be 60% of the market value.
13. In the event that the bailiff fails to sell the property, the auction procedure shall be restarted and the first auction shall be re-opened.
14. In order to establish the value of the asset objectively, an expert shall be called upon to determine the value of the asset to be sold. Either the debtor or the creditor may submit reasoned objections to the value of the asset. In such a case, the bailiff may order an additional examination or a re-examination.
15. The bailiff shall continue to recover the debt if the debt is not fully recovered after the sale of the property at auction, and if the property is sold for a larger amount, the balance shall be returned to the debtor.