

Business Support Contract

A procedure applicable to transactions of qualified clients based on borrowing Securities, advised to the borrower's bank in the form of a Bank Guarantee or Standby Letter of Credit SWIFT MT760.

Application with Bank Confirmation

Here we describe the procedure applicable to transactions for qualified clients.

A qualified borrower submits this Business Support Contract (BSC) and requests to borrow high rated securities to back up the emission of a Bank Guarantee or Standby Letter of Credit in favour of the borrower, with a term of 365 days, to be sent via SWIFT MT760 to the borrower's receiving bank.

The required Bank Letter

The borrower provides a written confirmation by his receiving bank, addressed to the borrower, of the receiving bank's consent to receive the bank guarantee instrument sent via SWIFT MT760 to the borrower's receiving bank, and the receiving bank's readiness to issue/endorse one of the 4 designated payment methods to pay for the required lending fees against delivery of the Bank Guarantee or Standby Letter of Credit.

Securities Borrowing and Lending Agreement is issued within 5 Banking Days

The Securities Lending & Borrowing Agreement will be issued within 5 banking days. At the same time the borrower will receive a Pro-Forma Invoice in the amount of Euro 30,000 (thirty thousand Euros only) with ISIN, all details of the Securities, Corporate Deed of Assignment, Euroclear and Clearstream printout, security card of the stock exchange market where the instrument is quoted, to permit the borrower's bankers to verify the existence of the securities.

Accepting the Securities Borrowing and Lending Agreement and placing the Commitment Fee.

Within 3 banking days the “instrument reservation fee” has to be paid and the Global Master Security Lending and Borrowing Agreement has to be accepted by the borrower and returned for further processing.

If a borrower proves his company to be of substance through relevant audited accounts and last year’s revenues have been at least equal to the face value of the instrument that is requested, the instrument reservation fee is being advanced and paid by the facilitator for the borrower. **This makes this facility an absolutely no front fee transaction for any qualified borrower.**

The Call Option is placed

Within 5 banking days of payment of the instrument reservation fee by either the facilitator or the borrower, the Provider or Facilitator will place the call option to reserve the securities to back up the transaction and the Bank Guarantee or Standby Letter of Credit that will be issued for the borrowing client.

Within 20 days...

Within 20 days from date of Pro-Forma Invoice the borrower must provide for the agreed conditional guarantee payment instrument and have it transmitted as agreed and instructed within the Securities Borrowing and Lending Agreement.

Upon receipt, the agreed Bank Guarantee or Standby Letter of Credit is transmitted to the borrower's bank and to the designated account of the borrower, by SWIFT MT760. This transfers all the rights to use the collateral for any legal business for the agreed period of the assignment.

The SWIFT MT760 is verified by the receiving bank of the borrower and the conditioned payment will be unblocked and payment released.

Fifteen days prior Maturity

The borrower's bank must return the instrument by SWIFT to the lender's bank unencumbered and free of liens and encumbrances, or the borrower must request an extension for another year on the same terms as stated in the Global Master Securities Lending & Borrowing Agreement that builds the basis for the emission of the financial instrument (Bank Guarantee or Standby Letter of Credit) issued for this transaction and under the terms of the Business Support Contract (BSC).