

Reminder for leasing clients*

Thank you for choosing to enter into an agreement with Coop Liising!

One-off costs related to entering into a leasing agreement

After entering into your agreement, you'll have to pay the agreement fee and make a downpayment for the use or ownership of the object of your lease. Coop Liising will send you an invoice for this.

Withdrawing from a leasing agreement

If you entered into your leasing agreement as a consumer (i.e. as an individual, as opposed to a legal entity) but have changed your mind and no longer wish to bear the financial obligations arising from the lease, you have the right to withdraw from your agreement within 14 days of entering into it. Simply e-mail a digitally signed application to this effect to the lessor. If the object of your lease is already in your possession when you decide to withdraw from the agreement, you'll need to return it to the seller in the same condition and with all the same parts and accessories as when it was handed over to you. Any disputes regarding this must be resolved with the seller directly i.e. without getting the lessor involved. Upon its return, the object of the lease must not have any damage or other defects that it didn't have when delivered to you.

Obligation to insure the object of the lease

As a leasing client, you're obliged to take out mandatory motor insurance and optional comprehensive insurance for the object of your lease at your own expense. Be sure to check the limits of required cover and excess, which are set out on the first page of your leasing agreement.

The policy or policies evidencing the fact that you've obtained insurance agreements must be submitted to the lessor within three working days of you entering into them, and in the case of the agreements being extended, at least 15 working days prior to the previous insurance period expiring. If you choose to enter into an insurance agreement with the lessor and Coop Kindlustusmaakler AS (for motor or comprehensive insurance or both), your premiums will be added to your monthly leasing payments. In

this case you'll pay the lessor for your insurance on the basis of a single leasing invoice.

Interest rate

The interest you'll have to pay to the lessor is calculated on the basis of the balance of your credit, i.e. the amount paid by the lessor to the seller in order to acquire the object of your lease which you as the leasing client have yet to pay back. If you agreed to a variable interest rate in your leasing agreement, this may change over the course of your agreement in accordance with the changes in the base rate, which is 6 months' Euribor. The lessor fixes the new value of the base rate on the date when the interest rate is changed. This then applies for the next six months. Monthly leasing payments increase if the interest rate rises, so paying them may cost you more. The interest rate also decreases when the base rate goes down, but will never drop below the minimum interest rate set out in your agreement.

Payment of leasing payments (principal payments and interest)

Leasing payments are made on the dates and in the amounts indicated in the payment schedule. If you have a variable interest rate (6 months' Euribor), the lessor recalculates, every six months and in accordance with the changes in the base rate, the payments to be made and issues you with a new payment schedule. The lessor issues monthly invoices for leasing payments setting out the amounts to be paid to them based on the leasing agreement and/or the lessor's price list. Note that you're required to make your scheduled payments on time whether or not you receive an invoice.

Use of the object of the lease

When using the object of your lease, you need to take the following requirements into account:

- Take good care of the object of your lease and only use it for its intended purpose. The object of your lease should be kept in the same condition as when it was handed over to you, except for any changes that occur from using it as prescribed.
- You yourself must cover the cost of owning, possessing, using and maintaining (incl. repairing) the object of your lease, as well as any related

*This reminder does not include any binding terms and conditions. If you enter into a leasing agreement, the terms and conditions agreed in the specific agreement will apply.

payments and other financial obligations (incl. fines), in full.

- In the maintenance and repair of the object of your lease, and in other similar cases, you must follow the instructions, warranty maintenance terms et al. issued by the seller or manufacturer.
- Allowing third parties to use the object of your lease (incl. on the basis of sub-leasing) is only permitted with the prior written consent of the lessor.
- Use of the object of your lease for special purposes (e.g. to provide a taxi service, to take part in motor sports or for driver training) is not permitted unless you've obtained the written consent of the lessor.
- You can take the object of your lease outside of Estonia on condition that it has insurance cover in the country in question that meets the terms and conditions of your leasing agreement.
- If you're unable to use the object of your lease for some reason (e.g. if it's no longer in your possession or has been damaged), you're still required to make the payments agreed on in your leasing agreement.

Delays in payment

If you're late in making any payments, the lessor will e-mail you a reminder and display the amount you owe in the Internet bank. If your payments are delayed, remember that you'll have to pay default interest and cover the cost of any debt proceedings. In the worst case scenario, the bank will cancel your agreement and demand that you return the object of your lease.

If you've been in debt of at least 30 euros for more than 45 days, the lessor also has the right to forward these details to the Credit Register.

The lessor has the right to terminate the leasing agreement and to demand both the immediate return of the object of the lease and compensation of the costs it has incurred in financing the object of the lease and terminating the leasing agreement if:

- as a consumer, you've been partly or fully in arrears for three consecutive leasing payments or, as a business client, for at least one payment. In this case the lessor will give you an additional period of at least two weeks to pay the amount owing. If you fail to do so, the lessor will terminate your leasing agreement and demand the return of the object of your lease; and/or
- you've significantly breached the leasing

agreement in some other way or if a basis for the termination of the agreement as set out in the leasing agreement or the general terms and conditions of Coop Pank AS arises (e.g. if the object of the lease has been destroyed, rendered unusable or transferred to a third party, if the requirements of the use of the object of the lease have been breached, if the solvency of either the leasing client or their guarantor has significantly deteriorated or if false information was knowingly submitted to the lessor).

Upon terminating the leasing agreement, the lessor sells the object of the lease. From any proceeds obtained as a result, the lessor writes off your payment obligations arising from the leasing agreement (incl. the residual value of the object of the lease). You have the right and obligation to help find people who are interested in buying the object of your lease and to contribute to achieving the best possible outcome in the sales process. Bear in mind that if the proceeds raised from the sale of the object of your lease aren't enough to cover all of the obligations arising from your leasing agreement, it will be up to you as the leasing client to cover the losses incurred by the lessor in the sale. You should also bear in mind that you'll have to cover any additional costs arising from the termination of your agreement as well, including those linked to the transfer of possession and sale of the object of your lease.

If you encounter any difficulties in making your leasing payments, get in touch with your leasing administrator as soon as you can. Together we'll find a suitable solution to the situation. Fully cooperating with the lessor is vital if you want to avoid problems piling up. If you're unable to overcome your payment difficulties in spite of everything, do the following:

- Take a look at the information about assistance programmes and support on the www.minuraha.ee website managed by the Financial Supervision Authority.
- Find out about registering as unemployed, new jobs and other useful information on the website of the Unemployment Insurance Fund at www.tootukassa.ee.
- Contact your local government to ask about social allowances. More information can be found on the website of the Ministry of Social Affairs at

www.sm.ee.

- If your current account is seized, get in touch with a bailiff to find out why. You'll find more information about bailiffs on the website of the Estonian Chamber of Bailiffs and Trustees in Bankruptcy at www.kpkoda.ee.

Early repayment of credit due to buying out the object of the lease

If you'd like to pay back everything you owe ahead of time and buy out the object of your lease, get in touch with your leasing administrator. In this case you'll need to take into account the fees for early repayment set out in the lessor's [price list](#). If you're a consumer and you entered into a capital lease agreement with a variable interest rate (6 months' Euribor), you won't have to pay the fee for early repayment.

Changes to contact details

Let the lessor know as soon as possible if your contact details change. The easiest way to do this is by e-mailing liising@coopbank.ee.

Liability of co-lessees and the guarantor

When two leasing clients enter into a joint leasing agreement (i.e. as co-lessees), both are jointly and severally liable for fulfilling the obligations before the lessor set out in the agreement.

If you enter into a guarantee agreement to secure your obligations under the leasing agreement, you're also jointly and severally liable with the co-lessee for fulfilling your obligations before the lessor.

Joint and several liability means that the lessor can demand full payment of your leasing payments (and other obligations as set out in the leasing agreement) from all debtors (all lessees and the guarantor) jointly or from one or more of the debtors individually.

- If two leasing clients enter into a joint leasing agreement, bear in mind that:
 - use of the object of the lease is on the basis of the agreement reached between the co-lessees;
 - the responsible user of the object of the lease in the Traffic Register is marked as Lessee 1;

- invoices generated on the basis of the agreement are issued by the lessor to Lessee 1; and
- the object of the lease goes into the ownership of Lessee 1 upon the expiry of the agreement or the early buy-out of the object of the lease.

- If you choose to secure your leasing agreement with a guarantee, bear in mind that this is a pledge on behalf of another person or company (the leasing client) to fulfil their financial obligations. You should only provide a guarantee to a person or company you know and trust.

- When entering into a guarantee agreement:

- carefully weigh up whether fulfilling the obligation in question is within your means;
- honestly assess your financial situation and only provide a guarantee in an amount you'll be able to afford to pay if you need to (known as the maximum rate of the guarantor's liability);
- read through the draft guarantee agreement and leasing agreement prepared by the lessor;
- contact an employee of the lessor to get answers to any questions you have; and
- make sure your contact details (address, phone number and e-mail address) are set out correctly in the guarantee agreement.

- Once you've entered into the guarantee agreement:

- take an active interest in whether and how the leasing client is fulfilling their agreement. If they don't respond to any of your enquiries, be sure to contact the lessor;
- always let the lessor know if your contact details (address, phone number and e-mail address) change;
- carefully read any notifications the lessor sends you, and make sure you collect any registered mail; and
- don't forget that you've taken on an obligation and will have to fulfil it on behalf of the leasing client if the lessor requires you to do so. By repaying the debt, you'll avoid incurring further costs and prevent the matter from being taken to court.

Other matters of note

Supervision of Coop Liising is performed by the Financial Supervision Authority (FSA) and the Consumer Protection and Technical Regulatory Authority (CPTRA). Any disputes between the parties are subject to resolution by way of

negotiations. An out-of-court complaint can be filed with a supervisory authority if no agreement is reached. The contact details of the CPTRA and instructions on how to file complaints can be found online at www.ttja.ee. The contact details of the FSA can be found online at www.fi.ee. If a dispute can't be resolved with an out-of-court agreement, then each person involved has the right to turn to a court in order to protect their rights. A claim corresponding to the requirements of law must be filed with the county court in order to initiate proceedings. You'll find information about the possibilities involved in taking a matter to court (incl. legal expenses, state legal aid and legal aid) in the consumer portal of the FSA at www.minuraha.ee or on the website www.kohus.ee.

Please note the following:

- Your financial situation and solvency may change due to a drop in income or an increase in your obligations.
- If your income isn't paid to you in euros, you might have to spend more money making your leasing payments if there are unfavourable changes in exchange rates.
- When you apply for leasing, you have to confirm to the lessor that:
 - all the information presented is true, complete and relevant; and
 - the obligation you're taking on corresponds to your needs and financial situation.
- Entering into a leasing agreement entails obligations that could lead to you ending up in debt. Bear in mind that failure to meet your monthly payments could make it much harder for you to get loans in the future.
- The lessor advises you to weigh up all of these explanations and to get in touch if you have any questions.

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