

## AGREEMENT ON CONSUMER CREDIT

### **ARTICLE 1 - PURPOSE OF THE AGREEMENT**

1. The purpose of this Agreement is the financing of the Borrower, in the form of a loan, by the Lender, in accordance with the terms and conditions specified in this Agreement.
2. The loan is issued for consumer purposes to the Borrower, and cannot be used for any other purpose by the Borrower.

### **ARTICLE 2 - TERMS AND DEADLINES OF THE LOAN ALLOWANCE**

1. The Lender and the Borrower have agreed that the loan allowed by the Lender is subject to the following terms and conditions:
  - 1.1. Allowed Loan Amount: 100 euro, 300 euro, 500 euro
  - 1.2. Interest rate: 2% (monthly), 24% (annual)
  - 1.3. Effective Interest Rate (EIR): 26.82%
  - 1.4. Administrative fee: 0%
  - 1.5. Loan Duration: 1 month, 2 months, 3 months;
  - 1.6. Purpose of the Loan: Loan for payments

### **ARTICLE 3 - APPLICATION AND CALCULATION OF INTEREST**

1. In addition to the principal/principal debt, the Borrower is also obligated to pay the interest contracted with this Agreement, with the following conditions:
  - 1.1. The interest rate percentage is specified in point b), of clause 2.1, of article 2, of this Agreement;
  - 1.2. The current number of (calendar) days of the month and year with 365/366 days will be used to calculate the interest rate.
  - 1.3. The interest rate will remain fixed throughout the duration of the loan, with the exception of cases involving restructuring of the loan due to late payment, change of preferential interest by the Borrower, or in cases of refinancing with a rate and other maturity, according to the Agreement between the Borrower and the Lender.
  - 1.4. The total amount of the loan and the monthly instalment are presented in the Payment Plan, which is considered an integral part of this Agreement. However, regardless of this, the Lender may end up paying more than the total amount for payment in case they do not pay the loan regularly, in which case interest and other eventual expenses will be applied due to the non-fulfilment of obligations from this loan.

2. The Effective Interest Rate means the total cost of the loan, presented as an annual rate of the total value of the loan, through which the discounted cash inflows must equal the discounted cash outflows. For discounting, the actual number of (calendar) days of the month and year with 365/366 days should be used. The effective interest rate does not include the expenses listed in clause 11 of this Agreement.

3. The Lender and the Borrower agree that, in addition to the interest specified above, in the event that the Borrower does not fulfil their obligations in accordance with the Payment Plan, the Borrower will also be liable for the late interest contracted with this Agreement, with the conditions as in the following.

3.1. The percentage of late interest is 1% per month (12% per year) and will be calculated on the amount of the unpaid principal of each late instalment.

3.2. Late interest will begin to be applied after the 5th (fifth) day of each late instalment and will be calculated from the first day of delay until the day of full payment of each late instalment;

3.3. The borrower is aware that the interest rate contracted in this paragraph is in full compliance with the applicable laws in the Republic of Kosovo, therefore they agree and declare that they waive any objection regarding the application of the interest rate, as well as the percentage of the interest rate specified in point a), of this clause, authorising the Lender to apply late interest for each instalment that is not paid in accordance with the Payment Plan.

## **ARTICLE 4 - LOAN PAYMENT METHOD**

1. The Borrower must pay the loan, including principal and interest, in accordance with the payment dates specified in the Payment Plan, which is an integral part of this Agreement.

2. Payment can be made through the depositing of cash, or through a bank transfer of money to the Borrower's account designated for loan payment, opened at the Lender.

3. The payment of each instalment of the loan is not considered to have been made only by the fact that the means for payment of the loan instalment have been deposited or transferred to the account. The payment is considered completed only when the Lender is able to withdraw the means for payment of the instalment reached for payment.

## **ARTICLE 5 - ADVANCE PAYMENT OF THE LOAN**

1. The customer has the right at any time before the maturity date to repay in full or in part their obligations from the consumer credit agreement. In this case, the creditor must do a reduction in the total cost of credit. This reduction consists of the reduction of interest and costs applied on the unpaid part of the loan, for the remaining period according to the agreement credit. After accepting the loan prepayment request, the lender must complete all loan closing procedures within fifteen (15) days.

2. In the case of repayment of the loan before the deadline, the lender has the right to the compensation of fair and reasonable costs that are directly related to repaying the loan before the deadline, provided that early repayment belongs to the period during which the interest rate is fixed, as defined in the loan agreement.

3. If the period between early repayment and maturity of the loan is over one (1) year, the compensation specified in paragraph 2 of this article does not exceed one (1%) per cent of the amount of the loan paid before the deadline and if this period does not exceed one (1) year, the compensation will not exceed zero-point five (0.5%) per cent of the loan amount – the principal paid before the deadline.

4. Compensation for payment before the maturity date will not be required:

4.1. if the settlement is realized on the basis of an insurance contract, which has the purpose of settlement of credit;

4.2. in the case of credit in the form of overdraft; OR

4.3. if the early repayment of the loan belongs to a period for which the loan rate is not fixed

5. Any compensation must not exceed the amount of interest that the consumer would have paid during the period between the early payment and the specified end date loan agreement.

6. The Borrower agrees and declares that it will not contest in any way the application of the penalty fee described above, waiving any complaint or claim related to the prepayment penalty fee.

## **ARTICLE 6 - REPRESENTATION AND WARRANTIES**

1. The Borrower declares and guarantees that:

1.1. They have all necessary authorisations to enter into this Agreement and to perform and fulfil each of the terms and conditions set forth in this Agreement;

1.2. All the information stated in the loan application, in this Agreement, and in any other document related to this Agreement, are correct, complete, updated and the same and fairly represent the real situation of the Borrower;

1.3. All financial information declared by the Borrower is correct, true, and the same reflects the real financial situation of the Borrower.

1.4. All financial income is derived from legal activity and in accordance with all applicable laws and regulations of the Republic of Kosovo;

1.5. All financial obligations to third parties through loans, or through any other form of financing, are presented in an accurate and fair manner;

1.6. All funds allowed by the Lender, through this Agreement, will be used only for the purpose for which they were allowed and for no other purpose;

1.7. It is not under investigation by any authority;

1.8. Entering into this Agreement and fulfilling the obligations arising from this Agreement, will not result in a violation by the Borrower of any other agreement, to which the Borrower is a party or by which agreement he is obligated.

## **ARTICLE 7 - OBLIGATIONS OF THE BORROWER**

1. The following obligations are general obligations, and their violation constitutes a case of loan default. The Borrower is obliged to:

1.1. Pay the loan on time and without any delay, in accordance with the Payment Plan;

1.2. Provide a payment receipt for the use of the loan.

1.3. Use the loan funds only for the purpose specified in this Agreement;

1.4. Immediately inform the Lender in case of circumstances that may negatively affect their ability to pay the loan regularly;

1.5. Not to enter into any credit agreement with any other institution, which may reduce their financial capacity to such an extent as to endanger the timely payment of this loan.

1.6. Any other obligation arising from this Agreement, or the laws and regulations applicable of the Republic of Kosovo.

2. None of the aforementioned points release the Borrower from all other obligations provided for in this Agreement and the laws and regulations applicable in the Republic of Kosovo.

## **ARTICLE 8 - CASES OF LOAN DEFAULT**

1. The following cases are considered cases of non-fulfilment of the Agreement and the presentation of any of them entitles the Lender to realise their rights, of this Agreement:

1.1. Failure on the part of the Borrower to regularly pay loan instalments, in accordance with the Payment Plan;

1.2. The use of loan funds contrary to the purpose for which they were allowed, through this Agreement;

1.3. Providing misleading or falsified information, or concealing important information, that could affect the Lender's decision to allow this loan, or that could affect the Borrower's capacity to fulfil the obligations arising from this Agreement;

1.4. Providing misleading or falsified information, or concealing important information, that could affect the Lender's decision to allow this loan, or that could affect the Borrower's capacity to fulfil the obligations arising from this Agreement;

2. None of the above-mentioned points limit the Borrower's responsibilities arising from all other articles of this Agreement, and none of the above-mentioned points limit the Lender's right to take any of the actions in this Agreement, if the Borrower fails to fulfil any of the other conditions provided for in this Agreement, or the laws and regulations applicable in the Republic of Kosovo.

## **ARTICLE 9 - RIGHTS AND COMPENSATIONS OF THE BORROWER**

1. In case the Borrower fails to fulfil any of the terms and deadlines of this Agreement, the Lender has the following rights and compensations, which will include but will not be limited to:

1.1. The request to the Borrower to immediately make the payment of late instalments, including all expenses incurred due to late payment, as well as interest calculated until the payment date;

1.2. Request to the Borrower to immediately pay the total amount of the loan, including all interest and expenses calculated up to the payment date;

1.3. Blocking all the Borrower's accounts opened with the Lender and withdrawing all funds located in these accounts for the purpose of paying the Borrower's debt;

1.4. To request the Borrower's employer to transfer to the Borrower's account, opened at the Lender, all their income in the name of salary, or other compensations from the employment relationship;

1.5. Changing the preferential interest, according to the terms of this Agreement;

1.6. Undertaking all legal actions against the Borrower;

1.7. Termination of the Agreement as a whole;

1.8. If the loan is based on misleading or falsified information, the Lender may declare the credit Agreement as violated at the moment of disclosure of such information, according to the applicable law;

2. The Lender has the right to unilaterally and without any warning to the Borrower, cancel all unused funds from the Borrower and also request that all used loan funds be returned immediately, in case the Borrower uses any part of the loan funds for purposes other than the purpose for which the loan was granted, and declare the loan Agreement as violated by the Borrower, according to the applicable law.

3. None of the aforementioned points limit the Lender's right to take other measures against the Borrower in accordance with the laws and regulations applicable in the Republic of Kosovo.

## **ARTICLE 10 - COST OF THE LOAN**

1. The Borrower agrees and is aware that the execution of this Agreement may also have expenses which may be applied either by the Lender or by different institutions, and as such are not included in the overall cost of the loan, or in the Effective Interest Rate - NEI. The lender is aware that these expenses are not included in the

effective interest rate, and declares that it accepts the same without any objection, including but not limited to: Expenses incurred as a result of non-fulfilment of the loan by us and the Borrower

1.1. Any other expenses required by other institutions related to the implementation of this Agreement, throughout;

1.2. The duration of this Agreement.

2. The Borrower is aware that the aforementioned expenses are mandatory and that they are not included in the effective interest rate, and declares that they will pay them with their own funds and in the manner and time required.

## **ARTICLE 11 - DATA COLLECTION, REPORTING, AND CONFIDENTIALITY**

1. The Lender, during the lending process, needs to collect information on the Borrower's credit history directly through the latter, or through competent institutions authorised to share information on the Borrower. Therefore, through this paragraph, the Borrower gives consent to the Lender to request information from the Credit Registry of Kosovo and from any other competent institution for providing this information.

2. The Lender, during the lending process, must provide information on the Borrower's credit history to the competent institutions authorised to collect this information. Therefore, through this paragraph, the Borrower gives consent to the Lender to provide information to the Credit Registry of Kosovo and any other competent institution for the collection of this information.

3. The information collected by the Borrower according to this article will be considered as confidential information and can only be used for the purpose of financing, maintenance/servicing of the loan, throughout the duration of the loan.

4. Notwithstanding the aforementioned paragraphs, the Borrower agrees and hereby authorises the Lender that, depending on the need and only to the extent necessary for disclosure, all information collected during the lending process, may be shared with its contractors external, such as: external legal advisors, financial and/or tax advisors, external auditors, bad debt collection companies, lawyers, as well as with any other external contractors, only if such disclosure is necessary, to the extent necessary for disclosure and provided that the recipient of this information is also obligated for confidentiality, through a written agreement.

5. None of the obligations for confidentiality, according to this article, do not apply if the disclosure of information is required by law, or at the request of the competent bodies for the disclosure of this information.

## **ARTICLE 12 - TRANSFER OF THE AGREEMENT**

1. At any time and for any reason whatsoever, the Lender has the right unilaterally to transfer its rights under this Agreement to a third party, which thereby also accepts the responsibilities of the Lender. Any transfer of the Lender's rights under this Agreement does not require the Borrower's approval.

2. The Borrower cannot transfer their rights and obligations arising from this Agreement to a third party.

## **ARTICLE 13 - THE RIGHT TO WITHDRAW FROM THE AGREEMENT**

1. The Borrower has the right to withdraw from this consumer loan Agreement within a fourteen (14) calendar day period. This term starts from the date of signing the contract.

2. Before exercising this right, the Borrower notifies the Lender of their intention (within the aforementioned period of fourteen (14) days to withdraw from the loan Agreement.

3. If the loan has been disbursed and benefited by the Lender and if the latter exercises the right to withdraw from the Agreement, the Lender notifies the Borrower of the amount of the loan that must be returned by the Borrower. This value consists of the amount of principal and interest for the relevant days, as well as the

lender's expenses, including those expenses created by actions with third parties for the effect of disbursing this loan.

## **ARTICLE 14 - TERMINATION AND EARLY TERMINATION OF THE AGREEMENT**

1. The duration of this Agreement is specified in point e), of clause 2.1, of article 2, of this Agreement, and cannot be changed, unless the Borrower and the Lender agree in writing to such a thing, or in other cases as provided in this Agreement.
2. Regardless of what is noted in the above clause, in any case when the Borrower violates any of the obligations arising from this Agreement, the Lender has the right to declare the termination of this Agreement and demand full fulfilment of the loan, including all interests and expenses incurred until the full payment of the debt.

## **ARTICLE 15 - APPLICABLE LAW AND RESOLUTION OF DISPUTES**

1. The contracting parties have agreed that this Agreement is subject to the laws and regulations applicable in the Republic of Kosovo.
2. Disputes that may arise between the parties regarding the implementation of this Agreement will first be attempted to be resolved by understanding. If the disputes cannot be resolved amicably, then the parties may refer to the competent Court in the Republic of Kosovo. The lender can also turn to other competent bodies, such as the Private Executors, in order to realise their rights, related to this Agreement.

## **ARTICLE 16 - MODIFICATION OF THE AGREEMENT AND APPENDICES**

1. Any changes to the Terms and Conditions of this Agreement must be made in writing and must be signed by all parties who have signed this Agreement, through the appendices to the Agreement, which will be considered integral parts of this Agreement.

## **ARTICLE 17 - COMMUNICATION AND ANNOUNCEMENTS**

1. The Borrower agrees and accepts that any communication and/or notification that must be made by the Lender to the Borrower must be made through one of/or a combination of the following methods:
  - 1.1. Postal letters;
  - 1.2. Phone calls;
  - 1.3. SMS;
  - 1.4. Electronic mail (email);
  - 1.5. Personal delivery.
2. The Borrower agrees and declares that the Lender has full freedom to decide which of the aforementioned methods of communication it will use for communications and notifications with the Borrower and that they will not object, in any form, to any of the methods of communication and notifications, chosen by the Lender.
3. The Borrower agrees and declares that, each of the communication methods specified above in cases where any document is submitted according to the Agreement, is considered and is equivalent to written communications and notices, therefore the same will be considered as written evidence, in case of need.

4. The Borrower agrees and declares that they will immediately notify the Lender of any change of postal address, telephone number, or electronic mail (email), stated in the loan application and/or in this Agreement. Otherwise, they agree and declare that they will not hold the Lender responsible for any communication or notification at these addresses/phone numbers, and also waive any complaint or claim against the Lender, for any damage or loss they may suffer for due to the continuation of sending communications and notifications to these addresses/phone numbers, by the Lender, as a result of not being informed by them about these changes.

5. The Borrower agrees and accepts that any communication and/or notification that must be made by the Borrower to the Lender, must be made by mail to the address listed in the preamble of this Agreement, or presented in person at the relevant branch.

## **ARTICLE 18 - COMPLAINT PROCEDURE**

1. The Borrower is aware that, in addition to the manner of communications and notifications to the Lender, which are specified according to this Agreement, for any remarks or complaints related to this Agreement, they can be addressed to the Lender through: a) the address Rruga Perandori Justinian no. 132, Pejton Prishtine 10000 Prishtina, Complaints Handling Unit; b) through phone numbers 038-607-607 and 049-456-021, as well as c) by email to support@paysera-ks.com.

2. If the Borrower is not satisfied with the Lender's response, then they can turn to the CBK, the Court, or any other institution, for handling their complaints.

## **ARTICLE 19: LANGUAGE AND NUMBER OF ORIGINALS**

1. This Agreement is drawn up in the Albanian language, one copy for each party.

2. By signing this Agreement, the Borrower confirms that they have received and read the pre-contractual information on the conditions and terms of this loan, the draft of this Agreement and declare that they agree with all of this, without any remarks.