

EIFO Guarantee

General Terms and Conditions

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Definitions

Banking Day

A day when banks in Denmark are open. Banking days between Christmas and New Year are not included, as EIFO is closed.

Beneficiary

The financial institution providing the Credit Facility which EIFO provides the Guarantee in favour of.

Borrower

The borrower of the Credit Facility. If another party is liable for the Borrower's failure to repay the loan, the term Borrower also comprises any such co debtor.

Capital Expenditure Facility

A credit facility with a fixed repayment plan provided by the Beneficiary to the Borrower linked, for example, to an investment in production facilities and buildings in Denmark or abroad and the acquisition of foreign companies, etc.

Company Declaration

A statement in which the Borrower confirms to EIFO that the company meets the requirements for ESG, anti-bribery, etc.

Credit Agreement

The contractual basis between the Borrower and the Beneficiary.

Credit Facility

A Capital Expenditure Facility, a General Purpose Credit Facility or a Specific Credit Facility.

Documentation Risk

The risk that the Credit Agreement and, where applicable, the Underlying Guarantees and/or any Parent Company Guarantee cannot be enforced against the Borrower due to the document not having been duly executed or duly acceded to by the Borrower, or the document otherwise being or becoming invalid, or the enforcement of the obligations thereunder being or becoming unlawful.

EIFO

Export and Investment Fund of Denmark.

Exchange Rate

The average exchange rate specified by Danmarks Nationalbank for a given currency.

General Purpose Credit Facility

Credit provided by the Beneficiary to the Borrower not linked to a specific business, e.g. an operating credit or guarantee framework.

Guarantee

EIFO's obligation in accordance with the Policy and Terms and Conditions to indemnify a proportion of the Beneficiary's loss.

Guarantee Specific Collateral

Collateral provided specifically for the Credit Facility and specified in the Policy.

Parent Company Guarantee

A Parent Company Guarantee as described in clause 1.2.4

Policy

Policy entered into between EIFO and the Beneficiary which, in addition to the General Terms and Conditions, defines the specific terms and conditions applicable to the Guarantee.

Specific Credit Facility

Credit provided by the Beneficiary to the Borrower linked to a specific transaction where the repayment date of the Credit Facility is known, e.g. a pre-production facility, a production facility, a work-in-progress facility or an advance payment credit.

Underlying Guarantees

Guarantees for the Borrower's obligations to third parties provided by the Beneficiary under the Credit Facility.

1. The Guarantee's cover

1.1. Commencement of the Guarantee

- 1.1.1. The Guarantee shall become enforceable on the date stated in the Policy.

1.2. Requirements for cover

- 1.2.1. The Beneficiary bears the full Documentation Risk in respect of the Credit Agreement and any Underlying Guarantees. The Credit Facility must be an extension of the Borrower's total credit facilities.
- 1.2.2. The Borrower's payment obligation under the Credit Agreement must be unconditional and irrevocable, and independent of any underlying commercial contract.
- 1.2.3. The Credit Facility must be separate on the Guarantee's commencement date from the Borrower's other facilities with the Beneficiary and administrable on one or more accounts/guarantees with the Beneficiary. If the Guarantee covers several facilities, EIFO must be informed accordingly.
- 1.2.4. If the Guarantee is issued on a rating based on consolidated accounts or unaudited consolidated accounts, it is a requirement for cover that the Borrower's parent company has issued an unconditional and irrevocable joint and several guarantee for the full Credit Facility to the Beneficiary ("Parent Company Guarantee"). The Beneficiary bears the Documentation Risk regarding the Parent Company Guarantee.
- 1.2.5. The Guarantee shall only enter into force when EIFO has received the duly completed and signed Company Declaration. The Beneficiary is not obliged to carry out an independent check of whether the company complies with the requirements for ESG, anti-bribery, etc. as stated in the Company Declaration, but is obliged to ensure that there are no errors or omissions in the Company Declaration. The Beneficiary is solely liable for errors and omissions if the Beneficiary has demonstrated gross negligence.
- 1.2.6. EIFO reserves the right to reject a request for a Guarantee and to request additional information and documents from the Beneficiary and Borrower. EIFO reserves the right to set out the detailed guidelines if several companies within the same group apply for a Guarantee.
- 1.2.7. The Beneficiary is responsible for ensuring that the accounts regarding the Borrower submitted prior to the issuance of the Guarantee are the latest accounts available to the Beneficiary. Submitted accounts must take into account the Beneficiary's own internal guidelines for credit assessment of the Borrower in question and include accounts for group companies. The Beneficiary is not responsible for the validity of internally processed accounting material, including consolidated summary, submitted to EIFO.

- 1.2.8. The Borrower must not, on the date of the Guarantee coming into force, be considered an “undertaking in difficulty” within the meaning of Article 2(18) of the Commission Regulation (EU) No. 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty. This applies, for example, if the Borrower/group has lost more than half of the subscribed capital.

1.3. Risks covered by the Guarantee

- 1.3.1. The Guarantee covers the risk under the Credit Facility, at the percentage of cover specified in the Policy (which may amount to a maximum of 80 per cent of the Credit Facility), that the Borrower defaults on the enforceable Credit Facility.

2. Guarantee premium

2.1. Guarantee premium

- 2.1.1. The guarantee premium (calculated based on the maximum amount of the Guarantee) shall be settled as set out in the Policy. If the guarantee premium is not paid on time, including after a written demand from EIFO to the Beneficiary, the cover under the Guarantee shall lapse.
- 2.1.2. For multi-year Guarantees, the Beneficiary is obliged to send the Borrower’s new accounting figures to EIFO no later than the end of the quarter in which they were received, but no later than 8 months from the end of the financial year.
- 2.1.3. For multi-year Guarantees, the Beneficiary shall determine the interest margin on the Credit Facility based on the ongoing credit risk relating to the Debtor’s circumstances. If the Beneficiary adjusts the interest margin, the Beneficiary is obliged to provide EIFO with information regarding the changed interest margin. On this basis, EIFO shall adjust the guarantee premium specified in the Policy by the same percentage change by which the Beneficiary has adjusted the interest margin on the Credit Facility, as follows:
1. For Guarantees where the guarantee premium is paid in advance for the period stated in the Policy, EIFO shall adjust the guarantee premium for the next period for which the guarantee premium is to be paid in advance; and
 2. For Guarantees with ongoing premium invoicing, which is paid in arrears together with interest on the Credit Facility, EIFO shall adjust the guarantee premium for the next interest period following the expiry of the current interest period.

2.2. Guarantee and termination

- 2.2.1. The Guarantee may be terminated by the Beneficiary with three months’ notice to the end of a quarter.

2.3. Refund of the guarantee premium

- 2.3.1. If the Guarantee is terminated at the end of a quarter, cf. section 2.2.1, any prepaid guarantee premium shall be repaid. EIFO is entitled to deduct an administration fee prior to the refund of the guarantee premium. The guarantee premium may not be refunded if compensation has been paid under the Guarantee, or if EIFO has received or should have received notification in accordance with section 3.1.1.

3. The Beneficiary's obligations

3.1. Duty of care and notification

- 3.1.1. Disbursement under the Credit Facility shall not be made, and EIFO must at all times, regardless of whether the Credit Facility has been fully drawn down, be informed immediately in writing if the Beneficiary becomes aware of circumstances that could result in losses for EIFO.
- 3.1.2. EIFO shall at all times be informed immediately in writing if one or more of the following conditions apply:
1. The Credit Agreement is in breach,
 2. The Credit Facility is terminated or deemed to have been terminated at maturity,
 3. The Borrower enters into pre-insolvency proceedings,
 4. The Borrower enters into bankruptcy proceedings,
 5. The Borrower suspends its payments,
 6. The Borrower enters into a composition arrangement with one or more creditors, or
 7. If the Underlying Guarantees issued under the Credit Facility are being called upon.
- 3.1.3. The Beneficiary shall take all reasonable and appropriate measures to avoid or limit losses.
- 3.1.4. The Beneficiary is obliged, at EIFO's request, to obtain/submit reports, accounting information and other information available to the Beneficiary concerning the Beneficiary or Borrower. Internal material from the Beneficiary, meaning the material processed by the Beneficiary included in the general assessment of the Borrower, for example internal credit authorisation, classification assessment, valuation of collateral, etc., is excluded from disclosure.

3.2. Cancellation of the Guarantee

3.2.1. EIFO's liability under the Guarantee shall lapse if:

1. The Beneficiary, at the time when the Guarantee was issued, knew or should have known that the Borrower would not be able to comply with its obligations under the Credit Agreement,
2. When the Guarantee was issued, the Beneficiary knew or should have known that (i) the Borrower will be in crisis at the next financial reporting date, cf. section 1.2.8, or (ii) the Beneficiary has not informed EIFO that the Beneficiary has marked the Borrower as OIK/OIV (i.e. non-credit worthy),
3. The Beneficiary is in breach of its obligations to EIFO under the Policy and the applicable Terms and Conditions,
4. The Beneficiary implements changes to a Guarantee Specific Collateral or a Parent Company Guarantee that result in such collateral being released or otherwise having a material adverse effect on EIFO's exposure under the Guarantee, or if
5. The Beneficiary fails to submit a final loss statement on time in accordance with section 5.1.4.

3.2.2. If the Guarantee lapses, any compensation amount paid shall be repaid plus any costs and annual interest under the Danish Interest Act (*in Danish: renteloven*), calculated from the date the compensation amount was paid until repayment is made.

4. Redemption under the Guarantee

4.1. Demands

- 4.1.1. The Beneficiary's written demand for compensation payment may be made at the earliest when the Borrower is in breach with the Credit Agreement due to late payment on the Credit Facility.
- 4.1.2. The demand shall contain a specification of the requested amount, cf. section 4.3, and contain documentation that the Beneficiary has requested the Credit Facility to be finally redeemed. The Beneficiary may not present a demand for more than an amount corresponding to the guarantee percentage of the amount drawn on the Credit Facility.
- 4.1.3. Claims for the payment of compensation must be received by EIFO no later than 12 months after claims for compensation under the Guarantee may be made.
- 4.1.4. If the Beneficiary has received a Parent Company Guarantee from the Borrower's parent company, cf. section 1.2.4, a compensation amount may only

be paid if the Beneficiary has contacted the parent company with a view for it being paid.

4.2. Payment of compensation

- 4.2.1. Compensation shall be paid no later than 10 Banking Days after receipt of the Beneficiary's written claim, cf. section 4.1. EIFO reserves the right to pay compensation as the individual payments on the Credit Facility fall due in accordance with the Terms and Conditions of the Credit Facility. This applies regardless of whether the entire Credit Facility is due for payment.

4.3. Preliminary statement of loss

- 4.3.1. The loss is calculated as the payment due within the maximum guarantee percentage specified in the Policy. Underlying Guarantees may only be included in the calculation of the provisional loss if an amount has been paid under the respective Underlying Guarantee(s).
- 4.3.2. Interest and costs shall only be covered within the Guarantee's maximum, cf. however section 6.4 for costs connected with the translation of documents. Only ordinary interest (not late payment interest) is covered under the Credit Agreement up to a possible date for issuance of a bankruptcy order - however, a maximum of 90 days from the due date for the Credit Facility in question.

5. Final loss statement, loss coverage and recovery

5.1. Final loss statement and loss coverage

- 5.1.1. Within the maximum guarantee percentage stated in the Policy, EIFO's final (and total) guarantee obligation shall not exceed half of the Beneficiary's final loss on the Borrower upon calculation of all of the Borrower's facilities and collateral (including the Credit Facility) with the Beneficiary. If the Beneficiary has several Guarantees for the same Borrower, EIFO's total liability, within the maximum guarantee percentages stated in the Policies, shall not exceed half of the Beneficiary's final loss on the Borrower upon calculation of all of the Borrower's facilities and collateral (including the Credit Facility) with the Beneficiary. The following applies to Underlying Guarantees in currencies other than DKK:
1. For calculation of EIFO's maximum guarantee obligation, the value of Underlying Guarantees not issued in DKK shall be converted to DKK at the Exchange Rate on the date of issue of the respective Underlying Guarantee. The sum of (i) the value of all Underlying Guarantees calculated on the date of issue of the respective issued Underlying Guarantee and (ii) all other liabilities under the Credit Facility shall be within EIFO's maximum guarantee obligation for the Underlying Guarantee to be covered by the Guarantee.
 2. Where the sum of (i) all Underlying Guarantees issued in DKK and (ii) the equivalent value in DKK of all Underlying Guarantees issued in a currency other than DKK based on the Exchange Rate on the date compensation is

paid exceeds the maximum guarantee obligation for EIFO specified in the Policy, EIFO's maximum guarantee obligation shall be extended by the amount that the sum of (i) and (ii) exceeds the maximum guarantee obligation for EIFO set out in the Policy.

- 5.1.2. After payment of the compensation amount, cf. section 4.2, EIFO's recourse claim against the Borrower shall include the compensation amount paid plus an annual interest rate corresponding to that stated in the Credit Agreement.
- 5.1.3. Unless EIFO submits another request, the Beneficiary shall pursue EIFO's recourse claim, including declaring the claim in the Borrower's bankruptcy estate. The Beneficiary shall transfer the dividend to which is EIFO entitled to EIFO no later than 10 Banking Days after receipt.
- 5.1.4. The Beneficiary's final loss shall be calculated as follows:
 1. If, on the date of the final loss statement, a bankruptcy order has been issued against the Borrower, the Beneficiary's final loss shall be calculated as the amount that the Beneficiary has declared and which has been acknowledged by the Borrower's bankruptcy estate with the addition/deduction of the following amounts to the extent that such additions/deductions have not already been made in connection with the bankruptcy estate's acknowledgement of the claim:
 1. accrued interest shall be included solely at the amount calculated under section 4.3.2,
 2. proceeds of collateral shall be deducted,
 3. proceeds arising from other guarantees, etc. shall be deducted,
 4. proceeds in the form of instalments from co-borrowers shall be deducted; and
 5. dividend shall be deducted from the Beneficiary's claim.

If, in exceptional cases, EIFO itself has declared EIFO's claim under the Credit Facility against the Borrower, dividend shall be deducted from EIFO's claim.

If the collateral provided for the Borrower's facilities cannot or should not be realised, this shall be deducted at an estimated value in the calculation. In the event of disagreement between the Beneficiary and EIFO on the estimated value, EIFO may demand that the value be calculated by an independent third party.

2. If the Borrower has not entered into bankruptcy proceedings on the date of the final loss statement, the Beneficiary's final loss shall be calculated as the Credit Facility's due principal less accrued interest at the time of the Beneficiary's request to EIFO for compensation payment, with the addition/deduction of the following amounts:

1. accrued interest shall be included solely at the amount calculated under section 4.3.2,
2. proceeds of collateral shall be deducted,
3. proceeds arising from other guarantees, etc. shall be deducted,
4. proceeds in the form of instalments from co-borrowers shall be deducted; and
5. instalments on the Credit Facility received by the Beneficiary from the Borrower after the Beneficiary's request to EIFO for compensation payment shall be deducted.

If, in exceptional cases, EIFO itself pursues EIFO's claim under the Credit Facility against the Borrower, instalments on the Credit Facility received by EIFO from the Borrower after the Beneficiary's request to EIFO for compensation payment shall be deducted.

If the collateral provided for the Borrower's facilities cannot or should not be realised, this shall be deducted at an estimated value in the calculation. In the event of disagreement between the Beneficiary and EIFO on the estimated value, EIFO may demand that the value be calculated by an independent third party.

- 5.1.5. Once the loss has been finally calculated, the Beneficiary is obliged to submit an account of the established loss and to repay any overpaid compensation amount under the Guarantee plus annual interest in accordance with the Danish Interest Act (*in Danish: renteloven*) calculated from the date of EIFO's payment of the compensation amount under section 4.2.

The final loss statement shall be received by EIFO no later than 12 months after the demand for cover under the Guarantee, unless the Borrower has entered into bankruptcy proceedings. If the Borrower has entered into bankruptcy proceedings, the final loss statement shall be received by EIFO no later than 2 months after the bankruptcy estate is complete.

If EIFO does not receive the final loss statement by the deadline stated above, the Guarantee shall lapse in accordance with section 3.2, provided that EIFO has, prior thereto, provided the Beneficiary a written notice requiring submission of the final loss statement within a reasonable period

- 5.1.6. Other collateral than Guarantee Specific Collateral shall be applied first in reduction of the Beneficiary's other facilities with the Borrower, cf section 5.1.4. Any additional proceeds from this shall be credited against the Credit Facility in connection with the final loss statement. EIFO and the Beneficiary may, upon establishment of the Credit Facility, enter into a separate agreement regarding the Guarantee Specific Collateral and its enforcement.

- 5.1.7. Should EIFO, in an exceptional case, wish to recover a claim under the Credit Facility itself, the Beneficiary shall notify EIFO of the transfer of any claim that the Beneficiary has under the Credit Facility where EIFO has paid compensation for this amount to the Beneficiary. The transfer shall also include any collateral the Beneficiary may have for the claim.
- 5.1.8. If the Beneficiary can make a claim directly against a beneficiary of an Underlying Guarantee that has been drawn on, the Beneficiary is obliged to follow EIFO's instructions in connection with recovery of the claim against the beneficiary, unless EIFO has had the claim transferred under section 5.1.7 above. Costs incurred in connection with the recovery shall be split between the Beneficiary and EIFO in the same proportion as the Guarantee covers the Beneficiary's loss on the Credit Facility.

5.2. Recovery of outstanding receivables

- 5.2.1. On completion of the loss statement, cf. section 5.1, the Beneficiary and EIFO shall recover their respective outstanding receivables from the Borrower separately.
- 5.2.2. If collateral including Guarantee Specific Collateral has been provided for the Credit Facility, the Beneficiary shall realise such collateral with a view to reducing the loss on the Credit Facility to the extent possible. If EIFO exercises the right to pay compensation on an ongoing basis, cf. section 4.2.1, the Beneficiary shall take all reasonable and available steps to ensure that collateral including Guarantee Specific Collateral provided for the Credit Facility (i) continues to be provided as collateral for the Credit Facility until the collateral is realised, and (ii) that the value of the collateral is not diminished before it is realised.

6. Miscellaneous

6.1. The Beneficiary's retention

- 6.1.1. The Beneficiary may not, without the written consent of EIFO, assign or transfer or take out a guarantee or insurance elsewhere for the proportion of the loss risk on the Credit Facility not covered by the Guarantee (the retention).

6.2. Transfer of the Guarantee

- 6.2.1. The right to compensation under the Guarantee may not be transferred or assigned without EIFO's prior written consent.
- 6.2.2. EIFO has the right to reinsure the Guarantee in whole or in part without the consent of the Beneficiary and Borrower. In this respect, EIFO has the right to disclose information about the Guarantee to reinsurance companies, provided that the reinsurance companies are subject to confidentiality at the same level as EIFO.

6.3. Choice of law and place of jurisdiction

- 6.3.1. The present General Terms and Conditions shall be governed by and interpreted in accordance with Danish law. Any dispute arising from the Guarantee (subject to Danish law) shall be settled by the City Court of Copenhagen.

6.4. Translation of documents

- 6.4.1. The Beneficiary is obliged to provide certified translations of documents at the request of EIFO. If the request is made in connection with the recovery of distressed receivables, the expenses shall be split in the same proportion as the Guarantee covers the Beneficiary's loss.

6.5. Disclosure

- 6.5.1. EIFO is subject to state aid law and is consequently obligated to publish its activities on EIFO's website, cf. the European Commission's decision of 12 May 2023 (case number SA.105087). This constitutes a derogation from the confidentiality provision in Section 28 of the Act on Denmark's Export and Investment Fund (Act No. 871 of 21/06/2022, as amended).
- 6.5.2. The information that will be published on EIFO's website regarding the Guarantee is: a) the Beneficiary's name, b) the Beneficiary's cumulative exposure with EIFO in the period from the most recent publication to the newest publication, and c) the date of the premium payment.
- 6.5.3. Publication takes place between 14-30 days after the date of the premium payment. EIFO publishes lists of activities every 14 days.
- 6.5.4. EIFO may not, in other contexts, disclose identifiable information about individual Beneficiaries or Debtors without a separate valid legal basis for processing.

6.6. Correspondence

- 6.6.1. All general correspondence from EIFO concerning Guarantees shall be addressed to the Beneficiary as stated in the application.