

Date

Dear Sir/s,

Re: Borrowers' and Ancoria Bank Ltd obligations – Central Bank Directive on Arrears Management 2015

In applying the above Directive, the Bank would like to advise you of your most important rights and obligations towards the Bank as well as of the most important rights and obligations of the Bank towards you. These rights and obligations are included in the documents executed by you and the Bank, as well as the law, but we outline herein below the most important ones. You are kindly requested to closely peruse these, sign the enclosed confirmation and return the same to the branch where your accounts are held at

Borrowers' obligations

Borrowers are required to respect the Bank's rights and:

- To act in respect of the requirements of the terms of the credit facilities' agreements;
- To fully collaborate with the Bank in order to achieve a sustainable restructuring solution;
- To demonstrate integrity, honesty and transparency and always act in good faith;
- To remain proactive in contacting the Bank when foreseeing or facing difficulties in meeting their obligations;
- To timely provide full, complete, up-to-date and accurate financial information and documentation of their financial circumstances (e.g. earning capacity and net worth) as and when required, including supporting income, expenditure and other financial data;
- To disclose all relevant information, including details of credit facilities to other credit institutions, in order to assess their total financial position and to eventually reach a consensual agreement between all creditors and the borrower;
- To be cooperative in providing any further relevant supporting documentation required by the Bank;
- To produce a signed Personal Financial Statement (PFS) (for natural persons only), which is available on the Bank's website www.ancoriabank.com;
- To act in a timely manner to resolve arrears and other defaults;

- To declare their understanding that the best solutions can be achieved with their full cooperation and collaboration with the Bank;
- To be receptive to restructuring proposals;
- To declare that they understand that failure to comply with the repayment schedule and failure to provide reliable information may halt the cooperative process and potentially lead to legal proceedings; and
- Not to take any action that might adversely affect the position of the Bank and the securities held by the Bank.

Bank's obligations

The Bank is required to respect the borrowers' rights and shall:

a) When proposing the available restructuring options:

- assist the borrower to understand the different options available;
- give time to the borrower to evaluate the implications of each available option in order to make an informed proposal to the Bank on which option to develop, and
- advise the borrower of his right to seek independent professional advice in order to assist him in making a decision, if deemed necessary.

b) When proposing restructuring solutions:

- ensure that the proposed solutions are sustainable and that the borrower will continue to be viable;
- discuss the proposed solutions with and offer clarifications to the borrower in order to help him take an informed decision; and
- inform the borrower of his right to reply to the Bank within 7 days in order to inform the Bank which of the solutions proposed he regards as the most suitable and sustainable in accordance with his financial situation or if none of the proposed are acceptable to him to offer an alternative proposal to the Bank.

We remain at your disposal for any further information or clarifications you may require.

Yours faithfully,

Ancoria Bank Ltd.

Ancoria Bank Ltd

Dear Sirs,

**Re: Borrowers' and Ancoria Bank Ltd obligations – Central Bank Directive on Arrears
Management 2015 – your letter dated**

Further to your above letter I/we hereby declare that having perused all documents between the Bank and myself/ourselves, I/we have now perused the contents of your abovementioned letter.

I/we hereby declare that I/we have been informed of the respective rights and obligations of the Bank and of myself/ourselves, and that I/we have fully understood them, having received complete and full explanation from the Bank in relation thereto.

Signature:

Borrower's name:

Date: