

General terms and conditions - Retail Clients

1. About the General terms and conditions

The Bank's General terms and conditions apply to all transactions or agreements between the Bank and you unless otherwise agreed.

Also, the Bank's General terms and conditions contain information in accordance with the Danish Payment Services Act and are considered a framework contract which states the rules for the use of payment accounts and payment services.

The Bank may change its General terms and conditions without notice if the change is to your advantage. In other cases, you will be given three months' notice.

The General terms and conditions may be downloaded from www.skjernbank.dk or obtained from your local branch.

2. Collection and use of data

When you become a client, Skjern Bank will ask you to provide various information, including information about your name, address, CPR number and CVR number and you must inform us of your tax circumstances. You must provide documentation of the information given by showing your passport or other documentation with photo and CPR number.

In addition, you must provide information about the purpose and the expected scope of your customer relationship with the Bank.

The Bank processes information about you for the purpose of carrying out advisory services, customer relationship management, customer administration, credit assessments, internal risk management, marketing, etc. and offering you financial services of any kind.

When using payment accounts and payment services you accept and agree that your personal data can be processed in order to carry through the services requested, e.g. the transfer of amounts. In this connection we will obtain information from you, shops, financial institutions and others. We do this exclusively with the purpose of executing and adjusting payments and preparing bank statements, payment overviews, etc. You may at any time revoke your acceptance, but this implies that you can no longer use payment accounts and the Bank's payment services.

The Bank will obtain information from the Central Office of Civil Registration as well as other publicly available sources and registers. In connection with credit assessment, we will enquire whether you are registered at credit information agencies or included on warning lists. The Bank will update the information on an ongoing basis.

According to legislation on money laundering we are obliged to investigate the background behind and the purpose of all complex and unusual transactions and activities and register the results of these investigations. We store this information for at least five years after termination of the client relationship or execution of the individual transaction. Yet, we delete personal data five years after termination of the client relationship or execution of the individual transaction.

Providing the Bank with the required information is optional for you. If you decide not to provide such information, the Bank may be unable to provide advisory services to you or otherwise serve you.

3. Disclosure of information

The Bank will pass on information to others if so required to fulfil agreements with you, e.g. on the transfer of amounts.

In addition, the Bank will disclose the information required by law. For instance, the Bank passes on information to the Danish tax authorities for income tax purposes.

If you are in breach of your obligations to the Bank, the Bank may report you to credit information agencies and/or warning lists according to the rules in force.

In case of suspicion of money laundering or financing of terrorism we must inform Statsadvokaten for særlig økonomisk og international kriminalitet (the Danish Serious Fraud Office - SFO) and state the background behind the notification. We can disclose information on investigations and notification to the SFO to other financial institutions if you are also a client of these institutions. We are obliged to disclose information obtained according to the Danish Act on Measures to Prevent Money Laundering and Financing of Terrorism to the Danish FSA if it so wishes.

Usual information on client matters may for instance be disclosed without consent to companies of the group and business partners for the performance of administrative jobs.

4. The Bank's duty of confidentiality and your right of access to information

The Bank's employees are under a duty of confidentiality and are not allowed to disclose information which has come to their knowledge in the course of their employment with the Bank unless authorised to do so.

You may contact the Bank to learn which information the Bank holds about you. If you wish to have the information in writing, you may be charged a fee.

Yet, you cannot obtain information as to whether we have registered any information and, if so, which information, in connection with the investigations we are obliged to make according to legislation on money laundering. Also, you cannot obtain information as to whether we inform the SFO or which information, we disclose to the SFO in case of suspicion of money laundering or financing of terrorism.

If the Bank discovers that it holds erroneous or misleading information about you, the registrations will be corrected or deleted so that processing is effected on a proper basis.

If the Bank has given erroneous information, we will make sure that the information is corrected.

If you are not satisfied with the Bank's processing of information about you or the way in which processing is effected, you may complain to the Bank. You may also file a complaint to the Danish Data Protection Agency, (Datatilsynet), Borgergade 28, 5. sal, DK-1300 Copenhagen K.

5. Electronic communication

Please note that point 5 is changed from 01.05.2018. The changed terms and conditions can be viewed at www.skjernbank.dk.

As a client of the Bank you will receive a personal Netboks. You can access your Netboks via Skjern Banks Netbank or via a specific login.

In your Netboks you will receive messages from the Bank, including bank statements, agreements, terms and conditions and any changes hereto. Therefore, you must check whether there are new messages in your Netboks.

You receive messages in your Netboks. However, subject to a fee, you may receive paper messages. You may choose to receive paper messages via your Netboks or by contacting your account manager.

You may access messages in your Netboks for at least five years after receipt.

You may also receive an electronic mailbox through e-Boks.dk. If you make an agreement about an electronic mailbox with the Bank, you can sign agreements electronically in your e-Boks. You may log on to your e-Boks via Netbank or via e-boks.dk

6. Authorisation

You may authorise others in writing to operate your accounts with the Bank. The authorisation will remain in force until the Bank receives your written notification of its revocation or amendment.

If you conclude an agreement with others about a joint account, each of you may solely operate the account unless otherwise agreed.

The authorisation will cease to exist on your death, and access to accounts, safe-custody accounts and safe deposit boxes will be blocked. Also access to joint accounts, joint safe-custody accounts and joint safe deposit boxes will be blocked.

7. Registration of communication

The Bank registers communication with you and records certain telephone conversations, for instance regarding investment. Such registrations and conversations are accessible for you for at least five years if you contact the Bank accordingly.

8. Interest and commission

The interest and commission rates applicable to deposits and loans are displayed at the Bank's branches, at www.skjernbank.dk and are available on request.

Interest and commission rates are variable unless otherwise expressly agreed by you and the Bank. Variable rates imply that the Bank may change the rates.

The Bank may change variable rates at any time **without notice** if the change is to your advantage.

The Bank may reduce variable rates on deposits and increase variable rates on loans **without notice**, if:

- domestic or foreign changes of monetary or credit policy affect the Bank as the general interest-rate level is affected;
- other developments in the general interest-rate level, for instance money and bond market rates, are of importance to the Bank;
- changes of external circumstances beyond the control of the Bank, but which are of importance to the Bank, for instance direct and indirect taxes, occur.

and at **one month's notice**, if:

- any circumstances which were significant to the determination of your individual interest-rate conditions change;
- the Bank -outside the context of the general interest-rate level developments -changes its general interest-rate and pricing policy for business reasons. Business reasons may for instance be a more appropriate use of the Bank's resources or capacity, or improved earnings.

In connection with housing loans we may for the same reasons only increase the interest rate subject to a **notice of three months** (instead of one month) and in connection with mortgage-like loans under continuing customer relationships subject to a **notice of six months** (instead of three months).

The Bank changes commission rates and other rates referred to as "premium" or "margin", etc. in specific agreements according to the same guidelines as those applying to changes in interest rates.

The Bank will give notice of any changes in rates.

If you have time deposits, you are entitled to withdraw your deposits without any interest deduction for a period of 14 days after the interest rate change has taken effect, if the notice of the interest rate change is shorter than the term of notice of the account.

9. Value dates, calculation of interest and commission

As a rule, interest and commission are calculated on a daily basis. The Bank will inform you on request about what applies to a specific account.

The **value date** is the date from which a payment into or out of an account or any other account movement will affect the calculation of interest on an account.

The **registration date** is the date on which The Bank registers an account movement.

The **entry date** is the banking day on which a registered account movement is entered. An account movement is entered on the banking day when the Bank receives the amount and no later than the next banking day after its registration.

Banking days/transaction days are every day with the exception of Saturdays, Sundays and Danish public holidays, 5 June (Constitution Day), Friday following Ascension Day, 24 and 31 December.

When the Bank has registered an account movement, it will be listed in the account entries in registration date order.

The value date is in case of

- cash payment in Danish kroner (DKK) or euro (EUR) into a payment account in DKK or EUR: the entry date;
- other cash payments and payments by payment cards: as a rule, the first banking day after the entry date;
- transfers from other clients of Skjern Bank to payment accounts: the entry date;
- transfers from other clients of Skjern Bank to other accounts than payment accounts: the first banking day after the entry date;
- transfers received from other Danish banks to payment accounts: the entry date;
- transfers received from other Danish banks to other accounts than payment accounts: the first banking day after the entry date;
- payroll and supplier payments: the day on which the amount is at your disposal (usually the same day as the entry date);
- cash payment out of an account with Skjern Bank, including by card: the transaction day;
- withdrawal of cash at ATMs on non-banking days: the first banking day after the withdrawal;
- Use of payment cards at payment terminals: the entry date;
- transfers between own accounts with Skjern Bank in the same currency: the entry date;
- transfers between own accounts with Skjern Bank in EUR/DKK: the entry date;
- transfers between own accounts with Skjern Bank in various currencies: the entry date. In some instances, international bank holidays must be taken into account.

With respect to foreign exchange transactions and foreign exchange transfers reference is made to the section on foreign exchange transactions.

10. Interest and commission

Interest due to you will be added annually.

Interest and commission payable by you will be charged monthly, quarterly or semi-annually.

The Bank may determine not to add/charge interest below a certain amount.

11. Fees

The Bank charges a fee for services rendered and for answering enquiries from public authorities.

Fees will be calculated as a fixed amount, a percentage, or an hourly rate proportionate to the extent of the services or a combination of the above.

Fees are set out in a price list available at the Bank or at www.skjernbank.dk.

The Bank may reduce its fees **without notice**.

Fees which you pay on a regular basis under existing contracts can be increased by the Bank at **one month's notice**, if

- market-related issues, for instance competition- or earnings-related issues, justify changes as regards one or more business areas.

Fees which you pay on a regular basis under existing contracts (including housing loans) can be increased by the Bank at **three month's notice**, if

- circumstances which were significant to the determination of individual fees change;
- the Bank changes its general fee structure and pricing policy for business reasons. Business reasons may, among other things, be a more appropriate use of the Bank's resources or capacity, or improved earnings.

Under existing contracts, the Bank may for business reasons introduce fees for services, which have not previously been subject to a fee. The Bank may introduce fees at **three months notice**.

For the reasons mentioned under 11, in connection with mortgage-like loans under continuing customer relationships and subject to a **notice of six months** (instead of three months) The Bank may increase fees charged to you and introduce fees for services which have not previously been subject to a fee.

The Bank may **without notice** introduce or increase fees charged for individual services and for new agreements.

The Bank will give notice of any changes in fees.

12. Overdraft interest and reminder fees, etc.

If an account is defaulted on due to overdraft, arrears or use contrary to agreement, the Bank is entitled to charge overdraft interest. If the account is closed due to default, the Bank is entitled to charge default interest.

The Bank may charge

- fees for sending reminders
- debt collection fees
- fees to cover debt collection and legal assistance expenses.

The size of the reminder fee will appear from the Bank's reminder and from our price list. Details of other fees, overdraft interest rate and default rate are available at the Bank. As regards payment accounts the overdraft interest rate will appear from your bank statement.

On defaulted claims, the Bank may choose to stop the crediting of interest for administrative and accounting purposes. This does not mean that we will waive our rights to receive interest on our claim and to demand payment of subsequently incurred costs. This will apply irrespective of what appears from the lists of account entries, self-service systems etc.

13. Provisos as regards deposits

Non-cash deposits into your accounts will be recorded by the Bank provided that the Bank finally receives the amount.

This reservation applies even when it is not stated on receipts or other notifications regarding the deposit.

The Bank can according to agreement with other financial institutions be obliged to carry back amounts, for instance amounts that have been transferred due to fraud.

Deposits may have been registered and may be available before the entry date. The Bank will report to the public authorities on the basis of the entry date. You are responsible for deposits being made well in time for the amount to be reported as intended.

The Bank may reverse amounts credited to your account by an obvious mistake on the part of the the Bank, for instance if the same amount is credited twice.

14. Bank statement examination

You are obliged to examine the entries in your account regularly. If there are any entries that you cannot acknowledge, you must contact the Bank as soon as possible.

However, any complaints regarding payment transactions comprised by the Danish Payment Services Act must be made within 13 months of the transaction being executed.

15. Payments from your accounts

Payment accounts are all accounts which are opened to execute payment transactions.

The Bank determines which accounts can be used as payment accounts, and therefore you will not be able to make payment transactions from all your accounts with the Bank.

The **execution time** is the time which will pass before a payment transaction has been registered in the payee's account. The maximum execution time for payments is one banking day, however a maximum of two banking days as regards paper-based payments, for instance giro forms. However special terms and conditions apply to international payments and payments in foreign currency. The terms and conditions can be viewed in 'Terms and Conditions - International Payments'.

If a payment order is received near the end of a banking day, the payment order will be considered to have been received on the following banking day. The closing time of a banking day depends on the type of payment order. The cut-off times for the various types of payment transactions are available from the Bank on request.

Payments may have been registered before the entry date and may have affected your available balance. The Bank will report to the public authorities on the basis of the entry date. You are responsible for making payments well in time for the amount to be reported as intended.

You may revoke payment orders up to and including the banking day before the banking day on which you intended the order to be executed. You may revoke payment orders within the time-limits applicable to individual types of payment transactions.

The Bank may reject a payment order in the absence of sufficient funds in the account from which the payment is to be drawn.

16. Set-off

The Bank is entitled, without prior notice to you, to set off any amount receivable, due or not due, against your balance with the Bank or against any amount payable by the Bank to you at the present or any future time, whether the amount receivable is due or not due.

The Bank will not set off amounts against any part of your wages, salary or government benefits, etc., deemed necessary to cover your normal living expenses.

The Bank will not set off amounts against account balances which are exempt from debt enforcement by law or separate agreement.

17. Termination of client relationships

You may terminate your customer relationship without notice, unless otherwise agreed.

The Bank may terminate the client relationship at a reasonable and usual notice, observing the rules on common practice for financial institutions. If the Bank terminates the client relationship, you are entitled to receive a reason.

If you cannot accept changes to the rules on payment services, you must notify the Bank before the change takes effect. You will simultaneously cancel the payment services to which the change relates.

Upon termination of a customer relationship, the Bank is entitled to terminate any surety and guarantee obligations and to free itself from other obligations undertaken on your behalf. In addition, you are obliged to release the Bank from all obligations

undertaken on your behalf or, when necessary, to provide security for such obligations.

You have access to your Netboks for at least 13 months after termination of your customer relationship.

18. Foreign exchange transactions

For cross-border payments and foreign-exchange payments, the Bank's Terms and conditions - International Payments, which are available at www.skjernbank.dk or at the Bank's branches, will apply.

As regards payment transactions falling within the Danish Payment Services Act and entailing conversion between two currencies the Bank will apply the following principles for the determination of the exchange rate:

Quoted rate. The rate is fixed on the basis of the Skjern Banks exchange rate plus a premium or less a discount of up to 0,75 % per cross rate. The premium or discount rate depends on the specific cross rate.

The principle applied to the payment transaction depends on the transaction type as well as the currency. We will inform you of the principle, rate and any premium or discount used on request.

The rate is published at Netbanken or is available upon request from the Bank.

19. Transactions abroad

Where the Bank transacts business outside Denmark on your behalf, it will choose the business partner. The Bank is not liable for any error committed by the chosen business partner nor for the fulfilment of its obligations.

You and the Bank are subject to the rules of law, customs and business conditions governing the agreement with the business partner.

When you transfer money to countries outside Denmark, you must be aware that information may be passed on to the US authorities. SWIFT is an international data network for the transfer of funds between countries. According to US legislation, SWIFT has been ordered to disclose information if it suspects financing of crime or terrorism when payments are executed.

20. In case of disagreement with the Bank

If you are dissatisfied with the Bank, please contact your branch.

If, after having discussed the problem with your branch, you do still not agree with the Bank, you may file a complaint with the Bank's complaints officer. You may obtain information about the complaints officer of the Bank's upon request from the Bank or at www.skjernbank.dk.

Subsequently, you may submit your complaint to the Danish Complaint Board of Banking Services, Amaliegade 8B, 2nd floor, Post box 9029, DK-1256 Copenhagen K, pengeinstitutankenaevnet.dk.

You can also use the EU Commission's online complaints portal at ec.europa.eu/odr. This is in particular relevant for consumers domiciled in another EU country. If you complain through the complaints portal, you must give information about Skjern Banks e-mail address which is munck@skjernbank.dk.

Complaints concerning the Bank's compliance with financial legislation may be filed with the Danish FSA.

21. The Bank's liability to pay damages

The Bank will be liable to pay damages if, due to errors or negligence, the Bank's performance of its agreed obligations is delayed or defective.

Even in areas where strict liability applies, the Bank will not be liable for any loss incurred as a result of

- breakdown of/non-access to IT systems or the corruption of data in these systems ascribable to any of the events listed below, regardless of whether the Bank or an external supplier is responsible for operating the systems;
- power failure or breakdown of the Bank's telecommunications, legislative or administrative intervention, natural disasters, war, rebellion, civil unrest, sabotage, terrorism or vandalism (including computer viruses and hacking);
- strikes, lockouts, boycotts or blockades, regardless of whether the conflict is aimed at or initiated by the Bank itself or its organisation, and regardless of the cause of the conflict. This also applies where the conflict affects only parts of the Bank;
- other circumstances beyond the control of the Bank.

The Bank will not be exempt from liability where

- at the time of signing the agreement, the Bank ought to have foreseen the event that caused the loss or ought to have prevented or remedied the cause of loss;
- under Danish law, the Bank is liable for the cause of loss under any circumstances.

22. Business partners

According to the Danish Executive Order on Good Business Practice for Financial Undertakings, we must disclose that we receive commission or other remuneration for arranging for the sale of and selling the products of our business partners.

A list of our business partners is available at www.skjernbank.dk and the Bank's branches.

23. Garantiformuen

As a client of the Bank you are to a certain extent protected against losses through Garantiformuen (Danish guarantee scheme for depositors and investors). You can read about the scope of the coverage at www.skjernbank.dk or at gii.dk.

24. Supervisory authority

The Bank is subject to the supervision of the Danish FSA, Århusgade 110, DK-2100 Copenhagen Ø, finansstilsynet.dk and is registered under FSA number 7780.

25. Applicable law and jurisdiction

Any disputes will be settled in accordance with Danish law and under the jurisdiction of the Danish courts.

Valid from 1 January 2018

Translation

The above is a translation of the Danish "Almindelige forretningsbetingelser - privatkunder". In case of doubt the Danish original will apply.