

## PRE-CONTRACTUAL INFORMATION

### Terms

**Borrower or Client** is an individual who has entered into a user agreement or user agreement and loan agreement with Bondora.

**Lender or Bondora** is Bondora AS, registered in the Commercial Register of Estonia with the registration code 11483929 and located at A. H. Tammsaare tee 56, 11316 Tallinn, Republic of Estonia, which has received a **special permit (licence) to provide consumer credit services** in Latvia.

**Bondora** is an e-services environment available at [www.bondora.lv](http://www.bondora.lv) and managed by Bondora.

**Portal account** is a Bondora's account which the borrower must create when submitting a loan application.

**Loan Amount** is the amount of money, which we put at your disposal on the basis of the loan agreement.

**Agreement** is a loan agreement between Bondora and the borrower.

**Schedule** is a repayment table of the loan amount and interest created on the basis on the terms of the loan agreement. The schedule is visible on the Bondora Portal account at any time and the amounts, number and payment dates are provided there.

### Before signing the agreement

Bondora invites you as the borrower to assess whether a loan is suitable for your personal borrowing interests and your financial situation. Borrowers should take into account their financial situation and obligations. Before borrowing, Bondora recommends to consider possible changes in your life, including an increase in expenses or a decrease in income. Bondora also advises the borrower to consider how such changes might affect their ability to repay the loan amount.

After setting up an account on the portal, Bondora offers the option to ask questions about the terms of the agreement by using a contact form available at [www.bondora.lv](http://www.bondora.lv). Bondora also provides additional information and clarification of the terms of loan agreement upon the borrower's request. Furthermore, Bondora advises the borrower to consider carefully the information and explanations provided to them and to ask further questions if needed.

Bondora prepares and uploads to the portal account the Standard European Consumer Credit Information, available to the borrower in his portal account.

Bondora prepares the payment schedule. The payment schedule shall form an integral part of the loan agreement and it is uploaded to the borrower's portal account.

If you encounter difficulties in fulfilling your agreement, Bondora recommends that you seek solutions. Bondora also points out that by resolving the difficulties encountered, the borrower can avoid additional costs related to the delay or failure to repay the loan.

In case of problems, Bondora recommends that you contact Bondora's customer service via the contact form available at [www.bondora.lv](http://www.bondora.lv), which will offer you possible solutions.

### **Agreement conclusion**

The borrower must create a Bondora portal account before or at the same time as submitting a loan application.

The loan application must contain accurate and complete information. Bondora has the right to turn to law enforcement authorities if a suspicion arises that the information has been falsified or third party's data have been used.

You will be required to submit accurate and up-to-date information about your income and expenses together with the loan application.

We will create an offer after the submission of the loan application, which we will calculate using the data submitted by the borrower and gathered from databases (e.g., State Revenue Service, State Social Insurance Agency, etc.). We will draft a loan agreement for you to thoroughly read it.

The loan offer and the loan agreement will be made immediately after all the requested information has been provided. The loan offer will be valid for 30 (thirty) days.

In order to obtain a loan, the borrower must conclude a loan agreement.

We disburse the loan to the borrower's personal bank account immediately after the signed loan agreement is submitted to Bondora via the portal account.

## Withdrawal from the loan application and agreement

The borrower has the right to withdraw from the loan application at any time before the loan agreement is concluded without giving any reason. The borrower has the right to withdraw from the loan agreement within 14 (fourteen) days from the date of conclusion of the Agreement by submitting a respective request in writing via the Bondora portal.

If exercising the right of withdrawal, the Borrower must, within 30 (thirty) days, repay the full loan amount and the interest, as well as the management fee calculated from the disbursement of the loan until repayment. If the borrower fails to make all payments within the aforementioned term, the borrower shall be deemed not to have withdrawn from the agreement and the obligation to pay interest and management fee shall remain in force until the full repayment of the loan amount, plus interest, plus management fee.

The loan amount and the interest, as well as the management fee shall be paid into Bondora's bank account. The necessary payment details are available at [www.bondora.lv](http://www.bondora.lv) and in the portal account.

## Calculation of interest and monthly repayments of the loan

Interest is the fee the borrower pays for using the money.

When calculating interest, we use an annual interest rate that is fixed for the entire duration of the loan, and in our calculations we use a 30-day month and a 360-day year.

A repayment schedule is prepared by Bondora for each loan after concluding the loan agreement. The schedule is drawn up as annuity payments, i.e., with equal payments. The loan schedule is visible on the borrower's portal account.

**NOTE!** The first and last payment in the schedule may differ from the regular monthly payments as they depend on the number of days, which are between the first payment date and the date of concluding the agreement.

The monthly loan repayment must be transferred to Bondora's bank account. The necessary payment details are available at [www.bondora.lv](http://www.bondora.lv) and in the portal account. The borrower is responsible for paying any bank fees, if any, to ensure that payments reach Bondora in full.

## **Early termination of the loan agreement**

The borrower has the right to repay the loan amount early in part or in full. The borrower may inform of such intent using the Bondora contact form available at [www.bondora.lv](http://www.bondora.lv).

In case of full repayment, we will calculate the interest as well as the management fee until the day of repayment and the borrower must pay that together with the loan amount.

## **Expenses related to the loan agreement**

All expenses related to the loan are provided in the price list, which is available on [www.bondora.lv](http://www.bondora.lv). The borrower, who has entered into the loan agreement, undertakes to pay the following expenses:

- a contract fee of 8 % of the principal amount of the loan – payable immediately upon conclusion of the agreement;
- a monthly management fee of 4 % of the loan principal per year – payable together with the monthly repayment amount stated in the payment schedule.

Bondora draws the borrower's attention to the fact that repayments may be subject to the additional fees charged by the borrower's payment service provider. Such fees are charged in addition to the loan repayments paid to Bondora's bank account.

## **Possible consequences of breach of agreement and termination of agreements by Bondora**

Bondora also informs the borrower that if the borrower is in delay with a monthly repayment, Bondora may request that the Borrower pays a penalty for the total amount overdue which has not been paid in accordance with the payment schedule.

The costs related to the loan agreement are stated in the price list available on Bondora's website [www.bondora.lv](http://www.bondora.lv).

Bondora shall have a right to terminate the loan agreement and demand from the borrower fulfilment of all his/her financial liabilities arising from or in connection to the loan agreement by written notice to the borrower if any of the following circumstances arises: 1. the borrower is in partial or full delay regarding 3 (three) consecutive monthly repayments and fails to settle the debt within 30 (thirty) days from the receipt of the notice; 2. the borrower is in partial or full delay with the last monthly repayment for more than 1 (one) month; 3. the borrower has an obligation to return the loan amount in single monthly repayment and is delay for more than 1 (one) month; 4. the borrower has withheld data or documents relevant for or falsified the data or documents submitted to

the lender relating to the assessment of the borrower's creditworthiness; 5. it becomes evident to the lender that one or more representations or warranties provided by the borrower to the lender have been false or inaccurate; 6. the borrower has failed to comply with certain obligations under the loan agreement and has not remedied such breach within a term specified by the lender; 7. enforcement, bankruptcy or similar proceedings are initiated with respect to the borrower.

If the borrower fails to fulfil a payment obligation, Bondora may initiate debt collection proceedings against the borrower. The borrower should note that in the event of a breach of the agreement, information about the borrower's overdue payments may be published in the Credit Information Bureau.

Breach of the agreement may significantly impair receiving a loan in the future.

### **How to solve difficulties with performing agreements?**

Solutions to reduce short-term or long-term reduction of payment obligations are available on Bondora's website [www.bondora.lv](http://www.bondora.lv).

A quick resolution of arising problems avoids additional expenses related to arrears. For additional advice and help we recommend also turning to a professional debt advisor if necessary.

### **How to get additional information?**

In case of problems, we recommend turning to Bondora customer service, which offers customers potential solutions within 30 (thirty) days from receiving the notice.

In case the solution offered by Bondora is not satisfactory, the client has the right to turn to the competent pre-trial bodies, such as the Consumer Rights Protection Centre. A dispute which the parties fail to resolve within reasonable time through bona fide negotiations shall be settled in the competent court of Latvia.