

Aktiengesellschaft

Filiale

Branch **Milan**

Filiale di

INFORMATION SHEET

Letter of credit, Collection and Stand-by Letter of Credit

Date 8st March 2021

Here below we listed **the conditions regarding the bank accounts** opened within our Milan branch. It is being understood between the parties that the terms conditions could be subject to amendments if expressly agreed between the parties and consequently reported within the syntheses report. The account relation will be also regulated by the provisions contained within the "General Terms and conditions".

The account's holder **can demand copy** of the document, in paper based or electronic format.

Information regarding the Bank	
Name	Commerzbank AG
Status	Aktiengesellschaft
Administrative headquarter	Kaiserßtrasse 16 – FRANKFURT am MAIN (Germania)
Secondary Office in Italy	Corso Europa 2 – 20122 MILAN
Internet address	www.commerzbank.it
Office to be contacted	Corporate Clients – Trade Finance Cash Management
E-mail address	infomilano@commerzbank.com
Registration number	5376
Controlling company	Commerzbank AG
Register number of german chamber of commerce	HRB 32000 - Frankfurt
Subscribed Stock capital	As of 31-12-2019 Euro1.252.357.634
Register number R.E.A.	1288226 - Milano
Partita IVA	12486580157
Fiscal code and register number of commerce	97067350153
ABI code	03095.7
Monetary and Financing Institutions Code (FMI Code)	IT0001198963145
Other information	Subject to the German Central Bank's and Bank of Italy's supervision Adhering to the National Guarantee Fund, and through the head office, to the German Law Fund "Entschädigungseinrichtung Deutscher Banken GmbH "EDB", analogous to the Interbank Fund for the Deposit's Guardianship. Funds deposited by the clients are also protected by the Interbank Fund for the Deposit's established by Associated national German banks (Einlagesicherungsfond des Bundesverbandes Deutscher Banken, "EFS") with an additional protection in addition to the one of EDB .

Characteristics and typical risks of the Service

Characteristics of the financial service provided:

The documentary credit operation consists in the undertaking of a commitment by a bank (issuing bank), on the order and on behalf of its own customer (sender), generally a buyer of goods, as a result of which this bank will carry out, or will have its Correspondent Bank carry out an economic service (payment at sight, acceptance of a deferred payment commitment, acceptance of effect, etc.) up to a certain amount and within a set time period, in favor of a third party (Beneficiary), generally the seller of the goods involved in the underlying transaction, against presentation, by the same seller, of commercial documents relating to the supply and shipment of the goods that comply with the terms and conditions set out in the credit text.

This is a widespread operation in international trade with which a marked contextuality is achieved between the supply of the goods and its payment with the exchange, through the banks of the seller and the buyer, of the documentation concerning the supply and shipment of the goods. , documentation for which the banks check formal compliance (thus omitting assessments of merit) according to consolidated principles and rules referring to the Rules of the International Chamber of Commerce. La lettera di credito Stand-by (SBLC) is a tool that, like documentary credit, provides for an evaluation of documents for its use, but in which the guarantee function is paramount. The SBLC is in fact activated by the Beneficiary, by presenting the prescribed documents, only if he has not received the payment from the debtor (sender of the SBLC) according to the terms of the underlying commercial contract, for example by bank transfer.

The above operations, Documentary Credits and Stand-by Letter of Credit, are governed by specific Rules issued by the International Chamber of Commerce of Paris. In carrying out these operations, it is well-established practice to use foreign correspondents domiciled in the country of the seller / exporter.

This bank adheres to the Agreement for the establishment of the Customer Complaints Office and the Financial Banking Arbitrator which provides for an alternative dispute resolution procedure with respect to appeal to the court.

For any disputes regarding relations with the Bank, the Customer can contact the Complaints Office of the same at the address indicated in the part concerning the information on the Bank and, where the conditions exist, the Financial Banking Arbitrator, following the procedures indicated in the "NOTICE" delivered together with the Contractual Regulations and also made available on our website.

Main risks:

- Since the documentary credit operation or the Stand-by Letter of Credit are payment instruments that operate through an obligation independent of the bank with respect to the underlying commercial operation - that is, conditioned solely on the evaluation of the documents and not on the merit of the same - the 'sender bears the risk of receiving goods that do not comply with contractual agreements upon presentation of documents that comply with the terms of the credit for which his bank (issuer) is required to pay or undertake to pay, and therefore to debit it;
- Transactions denominated in currencies or settled against euros or in currencies other than their denomination are subject to the risk of exchange rate fluctuations, as they are settled at the exchange rate applicable at the time of trading.

Aktiengesellschaft

Filiale

 Branch **Milan**

Filiale di

Economic Conditions

Note: also applicable to LC Stand-By requesting the presentation of original transport documents and commercial letters of credit.

GENERAL CHARGES

Description	Value		Comment
Value date	2 giorni		
Postage charges	EUR 2,00		
Courier charges	EUR 35,00 min.	EUR 100,00 max.	
Swift charges	EUR 15,00		
LC EXPORT			
Description	Value		Comment
Pre-notice/Pre-check Letters of Credit	EUR 55,00		LC from abroad in favor of our customers
	EUR 55,00		LC issued by order of our customers
Notice Letter of Credit export	EUR 55,00		Even in case of confirmed LC
Amendment	EUR 55,00		Amendments to the letter of credit and collection instructions. If the modification of an LC involves an increase in the amount or the extension of the expiration date, the "confirmation" fees (for confirmed LCs) or the "issuance" fees in other cases will also be required.
Confirmation of export letter of credit <i>(Note: * variable according to the issuing bank risk and the country risk rating)</i>	On demand (*)	EUR 140 min. per quarter	Calculated from the "notice" date and for the entire duration; for LC with tolerance in the amount the calculation amounts to 110%
	On demand (*)	EUR 140 min. per quarter	For the deferred payment period. They are always calculated from the date of acceptance of the documents and for the entire duration; For LC with tolerance in the amount, the calculation amounts to 110%
Acceptance / commitment of export letters of credit <i>(Note: * variable according to the issuing bank risk and the country risk rating)</i>	On demand (*)	EUR 140 min. per quarter	For LC negotiable against acceptance of effects pronounced on us; it is calculated from the date of acceptance to the expiration date
LC Export transfer	0,35%	EUR 140,00 min. per quarter	By instructions of first beneficiary
Management and Payment	0,35%	EUR 140,00 min.	In the case of LC at sight payable at the repaying bank through our account with it, the interest payable resulting from the difference between the debit date of our account and the debit date of our customer will be borne by the customer.
Irrevocable payment mandate	0,10%	EUR 100,00 min.	EUR 300,00 max.
Discrepant documents	EUR 30,00		
Unpaid documents return	EUR 140,00		By instructions of first beneficiary
Supervisory Commission	EUR 55,00 max. per quarter		In the event that the payment of a collection is not carried out, despite the investigations, within six months of the deadline (if "at sight": within six months of submitting the documents to us)
	EUR 55,00		In the case of unconfirmed Letters of Credit with deferred payment

Aktiengesellschaft

Filiale

 Branch **Milan**

Filiale di

LC IMPORT

Import letter of credit opening fees	EUR 35,00 min.		EUR 55,00 max.		To cover expenses. Calculated on the basis of the commitment deriving from the issuance of the LC
Issuance of import letters of credit	0,30 % up to 3 months	0,60 % up to 6 months	0,15 % from the seventh month onwards	EUR 100,00 min. per quarter	For irrevocable letters of credit.
	0,15% per month		EUR 100,00 min. per quarter		For letters of credit with deferred payment. Calculation from the date of taking charge of the documents up to the expiry date of the credit.
	0,30%		EUR 55,00 min.		For revocable letters of credit
Amendment	EUR 55,00				Amendments to the letter of credit. If the modification of an LC involves an increase in the amount or the extension of the expiration date, the "confirmation" fees (for confirmed LCs) or the "issuance" fees in other cases will also be required.
Management and Payment	0,35%	EUR 140,00 min.			In the case of LC at sight payable at the repaying bank through our account with it, the interest payable resulting from the difference between the debit date of our account and that of our customer's debit will be borne by the customer.
Documenti discrepanti	EUR 30,00				

COLLECTION OF DOCUMENTS

Collection of export documents and effects <i>(Note: Fees will also be charged if the same remains unpaid or the documents are released to the drawee later without payment)</i>	0,30%	EUR 55,00 min.	EUR 140,00 max.	By order of our customers against acceptance and / or payment
Issuing of documents <i>(Note: If a collection order is modified when the documents are issued without payment during its use (original instructions with no indication in this regard) the commissions will not be claimed)</i>	0,10%	EUR 55,00 min.	EUR 140,00 max.	By order from our customers but without payment, and / or without a collection order estimate
Receipt of documents and effects from abroad	0,30%	EUR 55,00 min.	EUR 140,00 max.	For collection against acceptance and / or payment
Release of Goods <i>(Note: the goods will not be taken over by us, but will be released against taking charge of the documents)</i>	0,10%	EUR 55,00 min.	EUR 140,00 max.	Delivered to Commerzbank
Unpaid documents	0,10%	EUR 55,00 min.	EUR 140,00 max.	In case of protested effects, the cost of the protest and all related expenses will be added: In general, however, these expenses are borne by the sending bank.
Payments to be made out of collection in favor of third parties (Agents)	0,15%	EUR 15,00 min.		

Aktiengesellschaft

Filiale

Branch **Milan**

Filiale di

SUMMARY OF THE MAIN CONTRACTUAL CLAUSES

The contractual clauses concerning the main rights, obligations and limitations in bank / customer relationships are summarized below. A full copy of the contract is available from the branch counter staff.

COLLECTION IMPORT EXPORT

Art. 9 The collection services or acceptance of bills, documents and checks abroad are carried out by the Bank according to the rules established for services concerning effects, documents and checks on Italy. When the laws or practices in force in the foreign country where acceptance or collection must take place are different, the laws and practices of foreign countries apply.

In particular, the foreign banks responsible for acceptance do not normally assume any responsibility for the authenticity of the acceptance signatures and the powers of the signatories.

Furthermore, as a rule, foreign banks entrusted with the collection of bills, documents and checks in local currency or in foreign currency, accept the payment of the transaction only if the relative amount can be immediately used or transferred according to the instructions of the letter remittance.

In case of non-acceptance or non-payment they do not raise the protest unless expressly instructed to do so. For the effects, documents and checks in local currency or foreign currency, accept payment from the drawee only if the relative amount can be immediately used or transferred according to the instructions of the remittance letter. In case of non-acceptance or non-payment they do not raise the protest unless expressly instructed to do so.

For the effects, documents and checks on countries with difficult communications or of unforeseeable duration, the Bank has no responsibility for the consequences deriving from non-presentation or protest in good time.

Art. 10 In relazione al fatto che le banche degli Stati Uniti d'America e di altri Paesi esigono dai cedenti di assegni e di effetti cambiari la garanzia del rimborso qualora, successivamente al pagamento, venga comunque contestata la regolarità formale di detti titoli o l'autenticità e la completezza di una qualunque girata apposta sugli stessi, il cedente di assegni o di effetti su detti paesi è tenuto a rimborsarli in qualunque tempo a semplice richiesta della Banca nel caso che la Banca stessa pervenisse analoga domanda dal suo Corrispondente o dal trattario.

DOCUMENTARY CREDITS**Clause 1 Recognition of privilege, pledge**

For all payments and expenses and in general all exposures depending on the execution of this mandate, the customer grants the bank the legal privilege referred to in Articles 1721, 2761 - 2nd paragraph of the Civil Code., Both on the documents and on the goods they represent as well as on the insurance indemnities, which are understood as of now to be pledged and bound in favor of the bank. To this end, in the event that the aforementioned documents were not issued in favor of the Bank, the customer gives the Bank a special mandate to carry out, on his behalf, the endorsement of the order and to demand the sums due for the insurance of the goods.

Clause 7 Risks and Liability

The customer is fully responsible for any risk and responsibility (including in relations with the Bank's correspondent) regarding any regularity and truth, in any respect, of all documents and their content and any risk deriving from delays, loss, errors interpretations of letters or telegrams and transmissions of documents.

Clause 9 Applicability of foreign laws and customs

For credit openings arranged in foreign countries, all the customer's instructions must be interpreted in accordance with the laws and customs in force in said foreign countries, laws and customs of which he declares to be perfectly informed.

Aktiengesellschaft

Filiale

Branch **Milan**

Filiale di

Legend

International Chamber of Commerce of Paris (ICC)	<i>Non-state organization representing the various branches of economic activity, which has as its main purpose the facilitation of international trade. To this end, and in the context of documentary operations with foreign countries, since 1929 it has drawn up the "Uniform Standards and Uses relating to documentary credits" which, updated over the years (currently the UNU. Publication 500 of 1993 is in force.) are the fundamental reference for all international transactions involving settlement by means of the documentary credit instrument and Stand-by Letter of Credit as far as applicable to them.</i>
Issuing	<i>This is the moment of issuing the documentary credit or the Stand-by letter of credit, and that is when the issuing Bank, on the instructions of the Originator (the applicant for the documentary credit) dictates the conditions under which the Beneficiary must comply in order to receive the expected service. from credit.</i>
Benefit provided for by the credit	<i>When documents conforming to the terms and conditions of the credit are presented, the Beneficiary expects either the payment at sight or the acceptance of the draft by the Bank which then, by virtue of this commitment, will make the payment of the draft upon expiry or the assumption by part of the Bank of a commitment (not represented by effect) to pay a certain sum on maturity. In the case of negotiation, the Bank, other than the issuing bank and authorized to do so, "advances" the funds to the Beneficiary Salvo Buon Fine while waiting for the issuing Bank to receive the documents and definitively cover its commitment.</i>
Amendment	<i>Indicates the change in the terms of the original credit. Attention: to be valid, the changes must be explicitly accepted by the Beneficiary (or whoever has the right to do so) or else they can be considered accepted if, upon presentation of the documents, it is clearly determined from the documentation itself that the Beneficiary has accepted the proposed changes.</i>
Usage	<i>It is the moment in which the Beneficiary presents the documents to receive the service.</i>
Country risk	<i>Economic insolvency of subjects located in a specific country (for political reasons, natural disasters etc.)</i>