

## Bank's Letters of Guarantee

### Eligibility Criteria

The Applicant for a Bank's Letter of Guarantee must meet the following special requirements:

- to be established according to the law and to perform legal activities pursuant to its Functioning Regulation or Articles of Association;
- to have a continuous activity at least during the last 6 months; this requirement shall not be applied to the customer applicants for BLG which fully warrants by cash collaterals. In case of customers applying for "*BLG for suspension/non-commencement of the forced execution procedure for non-payment of the tax obligations*", the requirement shall be to have a continuous activity during at least the last 12 months;
- to be classified within A, B or C class of general crediting risk. Letters of Guarantee issue shall be also accepted for firms classified within D or E risk classes only if they are exclusively guaranteed by cash collaterals or by Bank's Letters of Counter Guarantee;
- to be recorded with the CRC records as having A or B debt service or debt amounts less than Lei 50,000 at the analysis date;
- at the Application date, not to be in a litigation against CEC BANK S.A. for failure to execute any contracting obligations or any other types of obligations previous to the aforementioned date. If the customer is in litigation with other companies, it may be eligible if the amounts in question do not represent more than 5% of the total amount of the debts to third parties and the trial stage indicates the possibility to win the trial;
- not to have outstanding debts (for more than 60 days) to the State Budget or to the Social Security Insurance Budget. The existence of such debts in case of customers applying for "*BLG for suspension/non-commencement of the forced execution procedure for non-payment of the tax obligations*", shall have accidental nature (due to the effects of the economic crisis), considering the common behavior of the taxpayer and there shall be the premises, once such tax obligations are settled/suspended, not to arise any other tax debts in the future;
- not to be registered as customer prohibited to issue cheques with CIP; in case the customer has a prohibition to issue cheques in the last 6 months, it may be eligible if the incident was accidental and the customer proves it paid the debt;
- not to have any attachments established over its accounts; for customers applying for "*BLG for suspension/non-commencement of the forced execution procedure for non-payment of the tax obligations*", there may exist attachments over the current account pursuant the accumulation of the debts to the budget;
- not to be under insolvency/bankruptcy procedure.

In addition, for the Applications intended to the issue of "*BLG for suspension/non-commencement of the forced execution procedure for non-payment of the tax obligations*" not guaranteed by movable mortgage over the collaterals:

- to have operating profits achieved from the current business;
- to have its own positive capital, as calculated by not taking into account the Account 455.