

Hire purchase is a form of one-off credit. OP Corporate Bank plc (the lender), which is part of OP Financial Group, is the grantor of the credit facility.

1 Definitions

In the case of consumer transactions, this agreement is governed by the provisions of Chapter 7 of the Consumer Protection Act (38/78) and in case of other transactions by the Hire Purchase Act (91/66).

The hire purchase agreement is referred to later in this document as "the agreement".

All references to buyers in this agreement will apply to all buyers, whereas all references to consumer-buyers will only apply if the buyer is a consumer. The asset being sold is referred to later in this document as "the vehicle". When the seller assigns this agreement, the assigner will be referred to later in this document as "the lender".

International sanctions refer to sanctions, financial sanctions, export or import bans, trade embargoes or other restrictions imposed, administered, approved or executed by the Finnish government, United Nations, European Union, United States of America, and the United Kingdom or their competent authorities or governing bodies, or to administrative asset freezing measures imposed by the Finnish National Bureau of Investigation.

Politically exposed persons are those who serve or have served as:

- a head of state, prime minister, minister, deputy minister or assistant minister
- a member of parliament (for example MPs, MEPs)
- a top ranking official of a political party
- a member of a higher-level court (in Finland the Supreme Court, Supreme Administrative Court, Labour Court and Insurance Court), constitutional court or another similar high-level judicial body whose decisions are not normally subject to appeal
- a member of the supreme body of the court of auditors and member of the supreme body inspecting the management of state finances and corresponding to the National Audit Office
- a member of a central bank's board of directors
- an ambassador or a chargé d'affaires
- a high-ranking officer of the armed forces holding at least the rank of general (for example, admirals)
- a member of the administrative, management or supervisory body of a state-owned enterprise
- a director, deputy director or member of the board of an international organisation.

A person is considered a related party of a PEP if any of the following has performed in an important public function:

- a spouse or partner considered by the country's national legislation as equivalent to a spouse (in Finland: civil partnership)
- children
- parents
- parent of spouse or partner
- business associates.

2 Pledging and assignment of the agreement

The seller is entitled to pledge and assign this agreement and all related rights, including ownership of the vehicle, to a third party, such as a financing company, which is entitled to reassign the agreement. The buyer must be notified of the agreement's assignment. If the seller has assigned the agreement, the buyer must make all payments under this agreement to the assignee after receiving notification of assignment. Once the agreement has been assigned, the seller or another assignor no longer has the right to repossess the vehicle or otherwise determine matters under the contract.

So long as the buyer is subject to payment obligations based on this agreement, the buyer must not dispose of the vehicle bought under hire purchase, even as a trade-in vehicle, without the lender's written permission to do so. The buyer may assign the rights and obligations under this agreement to a third party only with the lender's permission and on the lender's terms. The lender has the right to charge a reasonable fee, based on its list of charges and fees, for assignment of the agreement.

3 Title

The lender retains title to the sold vehicle and all its accessories until all the following have been paid in full: the sale price of the vehicle and vehicle tax, the interest on the financed amount, all fees and charges related to financing, as well as the buyer's other payment obligations for the vehicle, such as insurance and registration fees and payments related to repairs, spare parts, accessories and supplies. The condition on retention of title also applies to equipment and accessories delivered as part of the sale, at no extra charge, to supplement, modify, or repair the sold vehicle.

Payment of the agreed cash amount of the sales price is not acknowledged by signature of this agreement, but a separate receipt is made out for such a payment.

The buyer must pay for any parking tickets and other comparable taxes and charges incurred after handover of the vehicle to the buyer.

Furthermore, the buyer must not sell or rent the vehicle, or take it outside Finland, without the written permission of the lender. The buyer must not hand the vehicle over without the lender's written permission to do so, except on a temporary basis. The buyer must immediately inform the lender if the vehicle is under threat of distraint, confiscation, sale executed under the Act on an entrepreneur's right to sell (Elinkeinoharjoittajan myyntioikeuslaki, 688/88) or some other action violating the lender's right or the buyer is under threat of bankruptcy, financial restructuring or debt adjustment or another action substantially affecting their payment capacity. The buyer must prevent the above actions and arrangements from having an effect on the vehicle, by presenting this agreement as proof of the lender's retention of title clause.

4 Interest rate and fees

The credit carries a fixed interest rate. Information on the interest rate calculation method is provided to the buyer on the agreement form and in the repayment scheme covering instalments. The lender has the right to charge other fees — based on the lender's list of service charges and fees valid at the time — due to any change or service performed under the agreement at the buyer's request. A list of valid charges and fees can be viewed on the lender's website and/or at its branches. The lender has the right to change, and supplement, its list of charges and fees.

5 Service and maintenance of the vehicle

The buyer agrees to maintain, service and repair the vehicle in accordance with the service and user manual provided by the manufacturer and seller, and as required by the warranty terms and conditions. Furthermore, the buyer must not alter the vehicle structurally or in a way that affects its tax status. The buyer is liable for the costs arising from any alterations made. The lender has the right to inspect the vehicle if this can be done without causing unreasonable harm to the buyer. The vehicle must not be used in competition or training other than in relation to traffic safety, fuel economy or similar.

6 Insurance

If the buyer fails to fulfil their obligation to insure or terminates insurance contrary to the terms and conditions of the agreement, the lender has the right to seek repossession and settlement as referred to in 10.2. below. The insurer has the right to inform the lender if the buyer has terminated the insurance under the terms and conditions of this agreement before title to the vehicle was assigned to the buyer or if, during the same period, the insurer has terminated the insurance owing to payment default by the buyer. If a loss event occurs, the buyer must file reports with the insurer, as required in the insurance terms and conditions. In the case of such an event, the lender is entitled to draw upon the vehicle insurance or compensation for damage, in recompense for the buyer's outstanding debts under this agreement.

If the hire purchase agreement includes provisions on Comprehensive Motor Vehicle Insurance Plus Financing, the lender will charge an insurance premium as part of the hire purchase payment instalment. Comprehensive Motor Vehicle Insurance Plus Financing is a group insurance policy. The buyer must inform the lender immediately when Comprehensive Motor Vehicle Insurance Plus Financing terminates. The lender has the right to charge a fee, based on the list of charges and fees, for any changes made to the group insurance.

7 Registration

Unless the lender has stipulated otherwise, the lender will be entered as the vehicle's owner in the Transport Register. The buyer must be entered in the Transport Register as the holder of the vehicle. If the vehicle is regularly used by a party in addition to persons belonging to the buyer's household, the buyer must ensure that this party is also entered as a holder of the vehicle. The buyer also agrees to inform the insurer of such a user. The lender has the right to make changes to the vehicle's registration data, if needed, and charge the buyer for this service based on the lender's list of charges and fees valid at the time. Unless otherwise agreed, the buyer must file a report, on assignment of title, in the Transport Register after title has been assigned to them. If the buyer does not make an assignment of title notification to the Transport Register after acquiring ownership of the vehicle, the lender has the right to make the assignment of title notification and charge the buyer for this service according to the lender's list of charges and fees valid at the time.

8 Consumer buyer's right to cancel the credit under the agreement and expiry of the ancillary agreement

The consumer buyer has the right to cancel the credit under the agreement by notifying the lender of this in permanent form within 14 days from concluding the agreement or from a later date on which the buyer has received a written or electronic copy of the agreement containing information based on Chapter 7, Section 17 of the Consumer Protection Act.

The notice of cancellation must be individually identifiable and include at least the buyer's name, personal ID and the vehicle's identification details, as well as the buyer's signature. When cancelling the agreement, the consumer buyer must compensate the lender for credit interest for the period during which the credit was available to the consumer buyer. If the lender has paid the authorities fees due to the conclusion of the credit agreement and such fees are not refunded after a cancellation, the lender will have the right to claim compensation for such fees from the consumer buyer. The consumer buyer must, without delay and within 30 days of sending notice of cancellation, pay the lender the debt amount of the cash price under this agreement and pay the compensation mentioned above, or the cancellation will be void.

Cancellation of the credit under the agreement does not relieve the consumer buyer of any obligations based on the purchase agreement for the vehicle. If the consumer buyer cancels the credit agreements, any other ancillary agreement related to the credit agreement provided by the lender or its partner will also be cancelled. If the consumer buyer wishes to keep the ancillary agreement in force despite cancellation of the credit under the agreement, they must inform the lender of this in permanent form within 30 days of sending the notice of cancellation.

9 Early repayment, change in repayment scheme and repayment schedule

If they wish, the buyer may pay the lender for all the credit in advance. The consumer buyer is also entitled to pay part of the credit in advance to the lender. The buyer must inform the lender in advance and in permanent form of their willingness to make an extra repayment differing from the agreed repayment scheme; otherwise, the lender will allocate the amount paid above the agreed amount as an extra repayment of the loan principal. The lender's receivables are calculated in the manner specified in Chapter 7, Section 27 of the Consumer Protection Act for consumer sales and in the manner specified in Section 5 of the Hire Purchase Act for other hire-purchase sales.

The lender may charge the consumer buyer compensation for any full or partial repayment of the credit if the credit is fixed-rate and early repayments add up to more than 10,000 euros over the last 12 months. This compensation accounts for no more than one (1) per cent of the repaid amount or, if the credit agreement is due to expire within less than 12 months at the time of payment, for half ($\frac{1}{2}$) a per cent of the repaid amount. Such compensation will fall due for payment at the time of the loan repayment.

The lender may charge a party other than the consumer buyer compensation, based on the list of service charges and fees, due to early payment of the credit or part of the credit. Such compensation will fall due for payment at the time of the loan repayment.

The buyer and lender may agree on the alteration the repayment scheme, or alteration of another agreement clause, during the agreement term. The lender has the right to charge a reasonable fee for such an alteration, according to its list of charges and fees valid at the time.

By notifying the lender in permanent form, the consumer buyer has the right to choose which receivable, among several of the same lender, a repayment will pay down. Upon request, the consumer buyer has the right to a free-of-charge repayment schedule at any time during the contractual relationship.

10 Consequences of payment default or other breach of contract by the buyer

If the buyer fails to fulfil a payment or other contractual obligations, the lender has the right to make a payment default entry in the credit data file, repossess the vehicle for performing settlement, and charge penalty interest and collection charges.

In a case of delayed payment, the lender must provide the buyer with information and advice on how to prevent payment difficulties and further deterioration in ability to pay, and on how to manage default situations.

10.1 Penalty interest and collection expenses

Penalty interest on overdue and unpaid hire-purchase instalments and other outstanding amounts is determined based on the Interest Act (633/82). However, penalty interest will be at least as high as the interest charged by the lender for a maximum of 180 days from the day when the credit fell due for payment, with the proviso that such a period will end as soon as a court decision is made about the credit. OP will charge penalty interest under the Interest Act for the period after this. A penalty interest rate may also be agreed for non-consumer sales. The buyer must also pay reasonable collection charges in accordance with the Debt Collection Act (513/99).

10.2 Repossession and settlement

The buyer's entire remaining credit, along with interest and other payment obligations related to financing, will fall due for payment and the lender will be entitled to demand repossession of the vehicle for settlement, if the buyer fails to fulfil a payment obligation and the unpaid instalment is overdue by at least a month as a consumer sale, or fourteen (14) days as another sale and remains unpaid, and the unpaid sum equals one of the following:

- an instalment that is at least one tenth (1/10) of the credit price, or
- an instalment which, combined with other unpaid instalments that have become overdue earlier, is at least five (5) per cent of the credit price, or
- the entire remaining receivable.
- The lender will be entitled to enforce the above procedure regardless of the amount of the overdue payment if the payment is at least six (6) months overdue and remains substantially unpaid.

However, the lender is not entitled to enforce the above procedure if the delay in payment is due to the consumer buyer's illness, unemployment or another comparable reason not attributable to the buyer except where, taking account of the length of the delay and other circumstances, this would evidently be unreasonable for the lender.

The lender also has the right to repossess the vehicle and settle the account, if

- the buyer has failed to take out, or has cancelled, the agreed insurance,
- the insurer has cancelled the insurance due to payment defaults by the buyer,
- the buyer dies,
- the buyer knowingly enables repayment of the loan, even partially, from illegal funds,
- the buyer or guarantor
 - is subject to international sanctions or acts on behalf of a private or legal person subject to such sanctions,
 - does not comply with the international sanctions applied to the buyer or guarantor,
 - directly or indirectly lends or assigns funds received from the loan to a business subject to international sanctions, allows their use by such a business, or allows their assignment to a private or legal person subject to international sanctions; or
 - knowingly enables repayment of the credit, even partially, from funds obtained from a business or a private or legal person subject to international sanctions or
- if the buyer is otherwise in material breach of the terms and conditions of this agreement or initiates measures that would lead to the disposal, deterioration or disappearance of the vehicle, or to a decrease in its value due to wear, spoilage or another similar reason.

Instalments will be due for payment on the date specified in the notice of the due date.

However, in the case of consumer sales, the due date will be no earlier than four (4) weeks or, if the consumer buyer has been notified of a delay in payment or other breach of contract, no earlier than two (2) weeks after the date on which the notice of the instalment's due date was issued or sent to the consumer buyer. If the buyer pays the overdue amount or otherwise rectifies the breach of contract before the due date, the due date will cease to be valid. In its reminders or notifications of overdue payments or other breaches of contract, the lender must remind the buyer of the restrictions on handover of the vehicle (sections 2 and 3 of the agreement).

Settlement will be performed in the manner specified in Chapter 7, Section 36 of the Consumer Protection Act in the case of consumer sales, and as specified in the Hire Purchase Act in the case of other hire purchase sales. If the lender and buyer cannot reach agreement on settlement, the lender must, without delay, contact the execution officer of the buyer's domicile or the vehicle's location for assistance in repossessing the vehicle and performing the settlement. The execution officer will then calculate the lender's receivables and determine the repossession value of the vehicle. The execution officer's decision is open to appeal as specified in the Enforcement Code (705/07).

11 Use of credit history and reporting non-payment to the credit data file.

When granting and supervising a loan, the lender uses the buyer's personal credit history to do so. The credit history is retrieved from a credit data file maintained by a credit reference agency (such as Suomen Asiakastieto Oy).

If the buyer defaults on payment, the lender has the right to report this in the credit data file related to the credit agreement, if at least 60 days have passed from the original due date mentioned in a reminder and the lender and buyer have not made a new payment agreement after the original due date, or if the registration of entry of the default is otherwise permitted by legislation or a ruling of the data protection authorities.

12 Notifications

The buyer must notify the bank without delay of any changes in the buyer's name and address. Upon request, the buyer must provide the lender with information on the buyer's financial standing and any other information, required by the lender, which affects this credit relationship.

When the lender sends the buyer a message via the op.fi service or another electronic service accepted by the lender, or sends such a message to the buyer's address, the buyer is considered to have received such a message no later than on the seventh day from the date on which the message was sent.

The lender will send the borrower mentioned first in the loan agreement any invoices, messages and notifications related to the loan, and information on any changes in agreements, terms and conditions, or the list of service charges and fees. If the lender sends the buyer a message via the op.fi service or to the buyer's address, the buyer is considered to have received such a message no later than on the seventh day from the date on which the message was sent.

13 Personal data processing

OP processes customers' personal data in accordance with the regulations in force and as described in greater detail in the Privacy Statement and the Privacy Notice. We recommend that the buyer read such data protection information.

The Privacy Statement and Privacy Notice are available on the OP website at www.op.fi/dataprotection.

The lender has the right to store information related to borrower transactions and events in its information systems and to record customer calls. The date of issue of an order, filing of an application or conclusion of an agreement and any other transaction details will be verified by the lender, using the information system maintained and/or telephone conversations recorded.

14 Seller's and lender's liability for faults in the vehicle

The terms and conditions of the vehicle's order and sales agreement will apply to any fault discovered in the vehicle. The buyer must notify the seller, or another liable party mentioned in the terms and conditions of the vehicle's order and sales agreement, of the fault in question. Under Chapter 7, Section 39 of the Consumer Protection Act, if the seller is in breach of contract, the consumer buyer is also entitled to demand a refund from the lender to whom the agreement was assigned. However, the lender is not obliged to pay the consumer buyer more than it has received from the consumer buyer. After notifying the lender of breach of contract, the consumer buyer is entitled to withhold payment of the amount of agreed instalments equivalent to the fault. The consumer buyer is liable for any consequences of unjustified withholding of a payment.

15 Settlement of disputes

If disputes cannot be settled by negotiation between the parties, the consumer buyer may submit the case to the OP Financial Group's Customer Ombudsman (<https://www.op.fi/customer-ombudsman>) for consideration. The Customer Ombudsman is a fast and free-of-charge complaint-handling body, which considers complaints independently of the previous decision. The consumer buyer may also refer the matter to the Consumer Disputes Board (<https://www.kuluttajariita.fi/en/index.html>) for consideration. The Consumer Disputes Board gives recommendations for dispute resolution and may refuse to process a case if the consumer has not contacted the Consumer Advisory Service prior to submitting the matter to the Board (<https://www.kkv.fi/en/consumer-affairs/consumer-advisory-services/>).

If the dispute concerns a financial or insurance service, the buyer can submit the dispute to the Finnish Financial Ombudsman Bureau (www.fine.fi/en) or the Bureau's Banking, Investment or Insurance Boards. They can also contact the Financial Supervisory Authority.

If a dispute is submitted to a court for judgement, the case in question must be submitted to the district court of the buyer's domicile, unless the buyer would prefer the case to be heard in the district court of the lender's domicile. Regarding non-consumer purchases, the case may also be submitted to the Helsinki District Court. If the buyer is not resident in Finland, the case must be presented to the Helsinki District Court.

16 Regulatory authority

Consumer loans are supervised by the Financial Supervisory Authority (<https://www.finanssivalvonta.fi/en/>), the Consumer Ombudsman, the Finnish Competition and Consumer Authority (<https://www.kkv.fi/en/>) and, as district administrative authorities under its control, Regional State Administrative Agencies (<https://avi.fi/en/frontpage>).