

Sale of the private loan portfolio of Danske Bank Estonia to LHV Pank

FREQUENTLY ASKED QUESTIONS

GENERAL

How many and which clients are affected by the transaction?

- The transaction concerns around 10,300 private clients of Danske Bank Estonia branch. All effective credit agreements (the majority of which are home loans and consumer loans, but the portfolio also includes a small number of leases and student loans) entered into with private persons have been migrated.

What should clients do?

- The migration has been made as comfortable as possible for clients. LHV has opened personal accounts for all clients, into which clients must pay their future loan payments. The loan has been transferred to LHV automatically and there is no need to pass a prior refinancing process.

What will happen to the accounts of clients in Danske Bank?

- The balance in the credit servicing account in Danske Bank has been transferred to the client's LHV account as a 'prepayment' and the money paid into the account in Danske Bank will be automatically transferred to the LHV account until the end of 2019. The account in Danske will be closed after that.

AGREEMENTS

Will there be any changes to the current loan agreements of clients? Will clients have to enter into new agreements?

- The terms and conditions of the agreements will not change as a result of the migration, except for the change in credit servicing account announced on 23 November. Instead of the credit servicing account in Danske Bank, clients will have to start transferring loan payments to their personal accounts in LHV Pank.
- However, the general terms and conditions and the price list of LHV will be applied to the agreements as of 23 November 2019. Entering into a new credit agreement with LHV is not necessary.

Do clients have to open accounts in LHV Pank?

- Clients don't have to open accounts for loan servicing themselves, as they have been opened automatically. Clients were informed of their new account numbers on 23 November. Please contact LHV if you have any questions.

Do all amendments to credit agreements have to be discussed with LHV in the future?

- All agreement amendment requests must be referred to LHV after the migration.

Do the clients of Danske Bank have to pay any fees for migration of the loan to LHV?

- Clients will not have to pay any fees in relation to the loan migration.

Do clients need to have their salaries paid to LHV?

- Please contact LHV if you need further information, as the agreements have been transferred to LHV.

Where will clients see the data related to their credit agreements (amount of monthly payment, loan balance, notices on changes in interest rates) in the future?

- Please contact LHV if you need further information, as the agreements have been transferred to LHV.

Where will clients see the data related to their credit agreements (amount of monthly payment, loan balance, notices on changes in interest rates) in the future if they DO NOT open a current account in LHV?

- Please contact LHV if you need further information, as the agreements have been transferred to LHV.

When will Danske eBank be closed?

- Danske eBank will remain open for limited use until 31 December 2019. After this date, the electronic services contract is deemed terminated by Danske Bank. We advise clients to save the necessary credit servicing account statements before eBank is closed if they wish to do so.

What will happen to loan prepayments in Danske Bank?

- The balance of the credit servicing account in Danske Bank will be transferred to the client's personal account in LHV on the next banking day after the transaction.

Will collateral owners also be informed of the change?

- Notice of the migration has been sent to borrowers, co-borrowers, sureties and known collateral owners.

What will happen to credit agreement collateral?

- All existing collateral to loan and leasing contracts and all collateral contracts have been or will be migrated to LHV; they will remain in force under their existing terms and conditions and secure the obligations arising from the agreements.
- The client does not have to do anything in relation to the migration of collateral or pay any expenses related thereto.

Will the mortgages securing the loans be reregistered in the name of LHV? Do clients have to do anything or pay any fees?

- Yes, mortgages will be reregistered in the name of LHV, but clients will not have to pay any fees for this. The relevant contract will be made between LHV and Danske on the day of the transaction and the necessary registry entries will be made within three months. If a client wants to conclude transactions with their property during this period, they should contact LHV.

What will happen to leased assets (vehicles, property)?

- LHV is now the lessor and the owner of the object of lease. Changes of owners of vehicles will soon be entered in the Traffic Register of the Road Administration and you will receive the new registration certificate from the Tallinn branch of LHV as of 2 December. If you cannot go to the

breach, please contact the private loan customer support of LHV. In the case of property leasing, the change of owners will be entered in the Land Register within a month.

How can clients get information on their loan interest in 2019 and send it to the Tax Board?

- Information on loan interest paid in 2019 can be sent to the Tax Board via the Internet Bank of LHV or an interest notice can be requested from them. If the loan ended before the migration transaction, Danske Bank will send interest notices to clients by post in January 2020.

What kind of information can clients request from Danske Bank after migration of the loan to LHV?

- You must contact LHV if you have any questions on a loan migrated to LHV.
- Please contact Danske Bank if you have any questions on agreements that have expired. You can find the necessary contact details on the website of Danske.

Do clients have to send effective insurance policies to LHV themselves or will Danske do it?

- The insurance policy of the collateral or the object of the lease agreement will remain valid until the expiry date of the policy. We will inform the insurers of the new beneficiary. If a client has an effective collateral insurance contract, this is also passed on to LHV with the transactions, and insurance premiums must be paid to the personal account in LHV.
- LHV Pank must be indicated as the beneficiary when a new insurance policy is taken out.

My loan ended before 23 November, but the mortgage has been set in favour of Danske. What will happen to this mortgage?

- We have submitted or will soon submit applications for discharging the mortgages via a notary. The Land Register judge will make the necessary decision on the basis of the application, and the fact that the mortgagee has discharged the mortgage will be noted in the Land Register. The owner of the registered immovable does not have to do anything or pay any expenses in relation to this, as Danske Bank will pay the costs related to the discharge of the mortgage.

If my loan payment is received in the credit servicing account in Danske after 23 November, will Danske transfer it to LHV?

- Yes, all amounts received during the migration period (until 31 December 2019) to the credit servicing account in Danske will be automatically transferred to the personal account in LHV. Any amounts received later will be returned to the payer.

PERSONAL DATA PROCESSING

What kind of data has Danske shared about me with LHV?

- The business line of crediting private persons has been transferred as an enterprise and as a result, LHV took over the role of Danske Bank A/S Estonia branch as the creditor in loan agreements and the collateral recipient in collateral agreements. In the course of the migration, all of the information and data related to loan agreements, collateral agreements and the parties thereto that are necessary for LHV as a creditor to fulfil its obligations as well as for fulfilling other legal obligations (e.g. data related to the establishment of a business relationship related to the prevention of money laundering and terrorist financing) were transferred.

How old are the data that were shared?

- The age of the data shared depended on the credit relationship transferred. As the entire valid credit relationship was transferred, the transfer included all of the information and documents related to credit and collateral agreements necessary for LHV to fulfil its legal obligations.

Do I have the right to refuse to share my data?

- You cannot refuse to share or hand over data in the course of the transfer of the enterprise. With the transfer of the enterprise, the transferee of the enterprise received all of the assets, agreements and rights and obligations related to the enterprise. Data related to the enterprise was also transferred. The transfer of the enterprise and its continued management would not be possible without transferring the data.

The transfer of the enterprise is a permissible and lawful operation, in the course of which data will be transferred to LHV as the transferee of the enterprise on the basis of the legitimate interests of LHV as the data controller and on compelling legitimate grounds. Such data processing and disclosure to the transferee of the enterprise corresponds to the provisions of Danske Bank's personal data processing policy and general data protection requirements.

Will Danske share my data even if my loan ended before the transaction?

- If a loan was repaid before the transfer takes effect, the loan and the documentation of the credit agreement will not be transferred. However, in relation to preparing the transaction, LHV may obtain client data before the transfer comes into effect, but these data cannot be used for purposes other than preparing the transaction and LHV is obliged to delete the data received.

Who will be able to access my personal data in the future? Who is responsible for processing such data?

- Once the enterprise is transferred, LHV will be responsible for the further processing of personal data transferred. LHV will notify you regarding how exactly your personal data will be processed. You can also obtain information on how LHV processes personal data from the LHV website (www.lhv.ee; see 'Principles of Processing Customer Data') or by contacting LHV or the LHV data protection officer directly. You will find the contact details of LHV companies and the LHV data protection officer on the LHV website.

Danske Bank will continue to process data collected until the transfer of the enterprise in order to fulfil its legal obligations and to preserve data. Danske Bank processes your personal data in accordance with applicable data protection requirements and continues to guarantee all of the rights of the data subject. If you require more information on personal data processing and the related rights, please refer to the bank's personal data processing policy (which can be found on our website) or contact the bank or the bank's data protection officer [Data Protection Function, Holmens Kanal 2-12, 1092 Copenhagen K, Denmark, e-mail: DPOfunction@danskebank.com].