

General Terms and Conditions

The General Terms and Conditions of Transactions, hereinafter referred to as the Terms and Conditions, is a general document governing the mutual relationships between the Bank and the Customer. The Terms and Conditions shall be applicable in cases where any of the issues referred to in the Terms and Conditions have not been stipulated in the Agreements concluded between the Parties, the terms and conditions of Banking Services or the terms and conditions of Banking Operations, or if such a stipulation is unclear. The Terms and Conditions with all the annexes, amendments and supplements thereto shall form an integral part of each legal transaction and the relationships between the Bank and the Customer.

Terms used

The terms and concepts used in these Terms and Conditions shall have the following meaning unless specified otherwise in the Terms and Conditions:

Account – any Current Account, Basic Account, Card Account, deposit account or another account containing the Customer's Financial Assets and opened at the Bank for the Customer.

Account Information Service – an online service, in using which the Customer is provided with summarised information on one or several payment accounts of the Customer, opened with another payment services provider or with several payment services providers.

Account Statement – a document in a paper or electronic format that reflects the flow of Financial Assets in the corresponding Account within a certain period of time and the balance of the Account at the beginning and at the end of this period.

Agreement – each mutual agreement of several persons on the establishment, amending or termination of legal relationships.

Apostille – a unified certification adopted in compliance with the Hague Convention of 1961 on abolishing the requirement of legalisation for foreign public documents, which certifies the capacity in which a person (an official) signing the document has acted and the identity of the seal or stamp which it bears.

Application – a form approved by the Bank and completed by the Customer in a written form or electronic format in order to receive Banking Services.

Application for a Currency Conversion Transaction (Transaction Application) – a Transaction Application submitted by the Bank via the Internet Banking system or in person, containing all the necessary crucial components of the Transaction.

Bank – AS "Reģionālā investīciju banka", registered in the Register of Enterprises of the Republic of Latvia under the registration number 40003563375, legal address: 2 J. Alunana Street, Rīga, LV-1010.

Banking Day – any calendar day on which the Bank is open for work. Unless the Price List, the Terms and Conditions or the Agreements entered into by and between the Parties, including the terms and conditions of Banking Services or Banking Operations, provide for otherwise, it shall be assumed that the Banking Day is a period from 9:00 to 17:00 on any calendar day, except Saturday, Sunday or any other day-off, which is recognised as such by the normative acts of the Republic of Latvia.

Bank's Home Page – the Bank's home page on the Internet: www.ribbank.com.

Banking Operation – a credit or debit operation in the Customer's Account initiated by the Customer, the Bank or a third party and performed.

Banking Services – services within the meaning of the term "financial services" used in the Credit Institution Law, as well as within the meaning of the term "payment service" used in the Law on Payment Services and Electronic Money, within the meaning of the terms "investment services" and "ancillary investment services" used in the Law on the Financial Instruments Market, as well as other services offered by the Bank.

Basic Account – a mono-currency Current Account in Euro currency with a possibility of using the principal payment functions of the Current Account, which is opened at the Bank on behalf of the Customer in accordance with the provisions of the Basic Account Opening and Servicing Agreement.

Beneficiary – an individual or a legal entity, including a Customer, which is the planned recipient of the transferred funds.

Card – signatures and seal specimen card.

Card Account – an account opened at the Bank on behalf of the Customer and linked to a payment card.

Certification of Authenticity of the Documents (legalization) – certification of the authenticity of signature and seal, which is done by a consular official in order to ensure that documents prepared in one country have legal force in another country. By legalizing the document the legal status and powers of the official (notary, etc.) signing the document is also certified.

Consumer – a Customer (individual) that is to be considered to be a consumer within the meaning of the Consumer Rights Protection Law.

Currency Conversion Transaction (Transaction) – a transaction performed between the Customer and the Bank on buying or selling one currency for another currency at the exchange rate set by the Bank with the performance of settlements on the set date. The Bank performs TODAY (TOD), TOMORROW (TOM) and SPOT currency transactions. (TOD transaction – a currency conversion transaction with the date of valuation on the transaction conclusion day at the exchange rate set upon the conclusion of the transaction. TOM transaction – a currency conversion transaction with the date of valuation on the next Banking Day following the transaction conclusion day at the exchange rate set upon the conclusion of the transaction. SPOT transaction – a currency conversion transaction with the date of valuation on the second Banking Day following the transaction conclusion day at the exchange rate set upon the conclusion of the transaction.)

Current Account – an account for making Payments that is opened at the Bank on behalf of the Customer in accordance with the provisions of the Current Account Opening and Servicing Agreement.

Customer – an individual or a legal entity, or an association of such persons, which uses, or has expressed a wish to use the Banking Services and/or acts as a Remitter or Beneficiary.

Data Subject – a Customer (individual) that has established business relations with the Bank, or that is related to such business relations, and/or acts as a Remitter or Beneficiary, including the Customer's representative, the Real Beneficial Owner, as well as persons that have previously possessed such a status or have expressed their willingness in any manner to become ones, or where possession of such a status is envisaged by the requirements of the normative acts.

Digipass – an electronic device or virtual solution, which generates single-use codes to log in the Internet Banking system and/or authorise (electronically sign) Customer's documents and orders.

Financial Assets – cash or non-cash means of payment, precious metals, as well as Financial Instruments.

Financial Instruments – an agreement, which simultaneously creates financial assets for one person and financial liabilities or capital securities for another person.

Financial Intelligence Unit – an especially created direct administration institution, supervised by the Cabinet of Ministers, which implements the control of suspicious transactions and other received information in accordance with the Law on the Prevention of Money Laundering and Terrorism and Proliferation Financing, as well as obtains, receives, registers, processes, summarises, stores, analyses, and submits information, which can be used for the prevention, exposure of money laundering, financing of terrorism and proliferation or attempts of such activities, or another criminal offence related thereto, as well as for pre-trial criminal proceedings or adjudication, to pre-trial investigation institutions, public prosecutor's office, and court.

Guidelines for Processing of Personal Data of Individuals – the procedure according to which the Bank processes Personal Data. These Guidelines are applied to Personal Data processing performed by the Bank, including where it has been commenced prior to the Guidelines entry into force, the current version of the Guidelines for Processing of Personal Data of Individuals is available on the Bank's Home Page and in the Bank's premises.

Internet Banking – an electronic payment system maintained by the Bank where the information exchange between the Customer and the Bank required for execution of Banking Operations is performed via Internet network.

Money Laundering and Terrorism and Proliferation Financing – activities defined as such in the Law on Prevention of Money Laundering and Terrorism and Proliferation Financing and in other normative acts.

Multicurrency Account – an Account in which all the incoming money is transferred and stored in the currency indicated in the Transfer, provided that the Bank has established the exchange rate for this currency.

Order for a Currency Conversion Transaction (Order) – an Order submitted by the Customer by phone, via the Internet Banking system or in person on buying currency from the Bank or selling currency to the Bank at the pre-determined rate, which is executed by the Bank once the currency market rate available to the Bank reaches the pre-determined level of the exchange rate specified to the Customer. If the exchange rate has not reached the relevant level of exchange rate by the set date, the Order shall become invalid.

Parties – the Bank and the Customer, each of them individually – the Party.

Payment – an action initiated by a Remitter or a Beneficiary the purpose of which is to deliver money, to transfer money or to withdraw money, and which does not depend on the obligations that exist within legal relations of a remitter or a beneficiary.

Payment Initiation Service – a payment service as a result of which the payment service provider initiates the Payment on behalf of the Remitter from the payment account held with other payment service provider.

Payment Instrument – any personalized device or a set of procedures agreed upon by the Customer and the Bank used by the Customer and the Bank to initiate and approve a Payment (e.g. payment card, PIN code, code calculator (Digipass), password, etc. used by the Customer to make operations with the Financial Assets in the Account).

Payment Order – a written or electronic order submitted by the Remitter to its payment service provider for Payment execution.

Personal data – any information related to the directly or indirectly identified or identifiable by the Bank individual (Data Subject). Personal Data is understood to be any data that provides any information regarding the Data Subject, including objectively documentable information (for example, a person's name, surname, personal identification number, address, telephone number, account number and account information, for example, payments, turnover), as well as subjective information regarding the Data Subject (for example, credit rating). Personal Data is also understood to be information documented in any form, i.e., the data documented both in writing in paper form and in electronic format, as audio and video recordings, as well as photo and documented biometric data.

Price List – the Price List of Banking Services, which, inter alia, defines the commission fees and the payment procedure established by the Bank and which is in force at the moment of the provision of services as well as after termination or temporary suspension of business relations in general or a certain Agreement between the Bank and Customer.

Proceeds from Criminal Activity – proceeds are to be considered the proceeds from criminal activity if a person has acquired them directly or indirectly as a result of a crime, and in other cases stipulated by the normative acts.

Processing of Personal Data – any action or a combination of actions performed with the Personal Data manually or automatically (for example, Personal Data collection, registration, organising, structuring, storing, as well as adjusting or transforming thereof, returning, disclosing, restricting, deleting, destroying, etc.).

Real Beneficial Owner – an individual that is the owner of the Customer – legal entity – or that controls the Customer, or on behalf of which, to the benefit of which or in favour of which business relations are established or a random transaction is executed, and which is at least:

- a) with regard to legal entities – an individual that directly or indirectly owns more than 25% of capital shares or voting shares of a legal entity, or which directly or indirectly controls it;
- b) with regard to legal arrangements – an individual that owns or in favour of which a legal arrangement is established or operates, or which directly or indirectly controls it, including where it is a founder, an proxy or a supervisor (manager) of such an arrangement.

Remitter – an individual or a legal entity, including a Customer, who gives permission to make Payment from its account or submits a Payment Order if it does not have an account.

Remote Account Management Tools – Internet Banking, SMS Banking, i.e., electronic payment and/or information systems, in which the exchange of information between the Customer and the Bank necessary for the provision of Banking Services is carried out via the electronic communication media.

Remote Communication Device – any device, including a Remote Account Management Tool, which can be used to conclude agreements between the Customer and the Bank, and/or to provide/receive Banking Services, without a simultaneous physical presence of the payment services provider and the payment services user.

Shell Bank – a credit institution or a financial institution, or other institution that is engaged in the activities equivalent to the ones performed by a credit institution or a financial institution, and which is registered in a country where it is not located physically (as well as its actual management) and which is not related to any regulated and supervised group. A Shell Bank shall be also a person who provides services similar to the services of a credit institution, carrying out money transfers on behalf of third persons, and which does not have any institution supervising or controlling its operations, except in cases where such transfers are made by electronic money institutions or where transfers are made among the companies of one group within the meaning of the Law on Financial Conglomerates, or among companies with the same Real beneficial owner.

Supervisory Authority – the Financial and Capital Market Commission, address: 1 Kungu Street, Riga, LV-1050, home page: www.fktk.lv.

Transfer – an action as a result of which the Beneficiary's payment account is credited once or several times (from the Remitter's payment account), based on the Payment Order submitted by the Remitter, which is executed by the Remitter's payment services provider that is the holder of the Remitter's account.

Unique Identifier – IBAN account number, payment card number or another unique identifier to be presented by a Customer to be unambiguously identified as a Beneficiary or a Remitter.

1. Identification of the Customer and the Customer's Powers

- 1.1. The Bank shall identify the Customer according to the procedure defined by the Bank and according to the binding normative acts. The Customer shall be obliged to submit identification documents required by the Bank.
- 1.2. The Customer shall prepare at the Bank the signatures specimen of the Customer or of its representative's signature. The Bank shall be entitled at its sole discretion to require the renewal of the signature specimen, and the Customer shall be obliged to renew it within the time frame defined by the Bank.
- 1.3. When providing Banking Services, the Bank shall compare the signatures of the Customer/its representative on the transaction document with the signature specimen on the Cards and shall check the identity documents. At the Customer's sole discretion, the signature specimen may be submitted together with the Customer's seal specimen. In such a case, the Bank shall compare the seal on the transaction document with the seal on the seal specimen Card. The Bank shall not be obliged to take into account the colour of the stamp.
- 1.4. The Customer hereby undertakes full responsibility for losses incurred by the Bank in the event the Customer has deceived the Bank, due to carelessness of the Customer, as well as due to malicious actions by third persons provided that the Bank has identified the signature and the seal of the Customer/its representative according to Paragraphs 1.1 to 1.3.
- 1.5. In order to use Banking Services using the remote connection devices, the Customer shall receive Payment Instruments the status and application procedure of which shall be defined in a separate Agreement signed between the Parties.
- 1.6. The Customer is entitled to issue the power of attorney to a third person to receive the Banking Services, however it shall impose no obligation to the Bank to accept such powers of attorney. The power of attorney must be prepared in a written form and certified according to the procedure determined by the Bank. The power of attorney submitted to the Bank shall be considered to be valid until the Customer revokes it or until the validity term indicated in the presented power of attorney, whichever is the earlier. The power of attorney must be recalled, informing the Bank in writing thereof. The Bank shall not be liable for the losses and other Customer's expenses, if the power of attorney is revoked and the Bank has not been informed in writing thereof.
- 1.7. Documents issued abroad for the use in the Republic of Latvia have to be legalized according to

the established procedure (Apostille or Certification of document authenticity (legalization)). The Bank at its discretion shall have the right, but not obliged, to release the Customer from this obligation.

- 1.8. The Customer shall be obliged to immediately notify in a written form about all changes in significant circumstances (facts) pertaining to its legal relationships with the Bank, especially regarding changes in the name, surname or company name, place of residence, legal address, seal, signatories (or their signatures), changes in capacity or status (loss of capacity, establishment of custodianship, reorganization, privatization, arrest of property, insolvency, bankruptcy, etc.), as well as about all other changes in the documents submitted to the Bank (Articles of Association, register of shareholders/founders, amount of equity capital, officials, minutes of meetings, decisions of the Register of Enterprises of the Republic of Latvia, the Real Beneficial Owner, etc.) by submitting the new documents justifying these changes or their copies according to the requirements of the Bank.

2. Types of Communication and the Language. Execution of Documents and Information Exchange

- 2.1. For the communication with the Bank the Customer shall choose one of the following three languages: Latvian, Russian or English. Irrespective of the language chosen as the main language of communication, the Customer may prepare and submit all documents to the Bank in one of the aforementioned languages without having to provide a translation. If the Customer submits documents in any other language, they must be translated into Latvian, Russian or English. Upon request of the Bank, translation of these documents must be certified in the consular representative office of the respective country, by a notary, by a sworn translator or using any other procedure stipulated by the Bank. An Apostille or a document confirming the authenticity of documents (legalization) shall be used for confirming the authenticity of Documents. The Bank shall not be obliged to compensate the Customer for any expenses incurred in relation to the translation of the respective documents and/or confirmation of their authenticity.
- 2.2. The Customer shall be responsible for the truthfulness, authenticity and completeness of all data and documents submitted to the Bank, and for their timely submission. The Customer shall be obliged to submit to the Bank documents, which are clearly legible, correct and precise, without any corrections and deletions; otherwise the Bank shall be entitled to refuse to accept the respective documents.
- 2.3. In case the Bank, when verifying the documents submitted by the Customer, needs to use respective registers or special data bases, as well as in cases when the Customer submits documents to the Bank failing to provide their translation into one of the languages mentioned in Paragraph 2.1, the Bank shall be entitled to use the services of the aforementioned third persons, including translators, at the Customer's expense.
- 2.4. In case of uncertainty, the Bank shall be entitled to ask the Customer to submit any Application and other type of documents in a written form, unless the provisions of the signed Agreement stipulate otherwise.
- 2.5. Applications and/or any other documents, orders, notices, etc., if they are not submitted in written form in person, may be requested by the Bank to be submitted via Internet Banking, if the Customer has signed the respective agreement on the use thereof. These Applications and/or any other documents, orders, notices, etc. shall be considered as received by the Bank pursuant to the procedures laid down in the Terms and Conditions with regard to the exchange of information via Internet Banking (Paragraph 2.9 hereof).
- 2.6. All notices and/or documents shall be considered as received by the Bank once a note on the receipt of the relevant notice or document is registered in the Bank, unless the Terms and Conditions or the Agreement stipulates otherwise.
- 2.7. All documents and information related to the Banking Services and Banking Operations shall be issued by the Bank to the Customer in person or sent to the Customer's address or email address indicated in the Agreements signed between the Parties or via Internet Banking. Information covering a wide circle of Customers and not addressed to a Customer individually may be published by the Bank on the Bank's Home Page, The Customer shall be obliged to visit the Bank's

Home Page at least once a month to become acquainted with the topical information published thereon.

- 2.8. The notices and/or documents sent to the Customer to the address specified in the Agreements concluded between the Parties, shall be considered as notified/delivered on the 3rd (third) day after they have been submitted to the post office or to a courier, if the Customer's address is within the territory of the Republic of Latvia, or on the 8th (eighth) day after they have been submitted to the post office or to a courier, if the Customer's address is outside the territory of the Republic of Latvia, but in both cases not later than on their actual date of receipt.
- 2.9. If a notice and/or document is sent to other Party to the email address specified in the Agreement or using authorised messages via Internet Banking, it shall be deemed that it has been notified/delivered on the day of sending thereof, if it is a Banking Day. If a notice and/or document sent this way is sent on the day other than a Banking Day, it shall be considered as notified/delivered on the following Banking Day, unless the respective terms and conditions of Banking Services or Banking Operations stipulate other procedures.
- 2.10. A notice and/or document shall be considered as duly notified/delivered, if the Bank has sent it using any communication channel, i.e., the Bank is not obliged to send notices and/documents using all communication channels with the Customer.
- 2.11. If the Customer has applied for receiving the Account Statement at the Bank in paper format, the Bank shall store the prepared Account Statement for 3 (three) months from the day of preparing thereof.

3. Currency of the Banking Services and of the Banking Operations, Indices

- 3.1. The Banking Services shall be provided and the Banking Operations shall be carried out in a currency agreed by the Parties in the respective Agreement. In the event no currency has been indicated in the Agreement, it shall be assumed that EUR (euro) is the currency to be used.
- 3.2. The Bank without prior notice shall have the right to determine that the currency of the Account and of the Agreement concluded between the Parties shall be EUR (euro), shall be eligible to convert the funds in the accounts in other currencies into EUR (euro) and to continue providing Banking Services and carrying out Banking Operations, as well as to establish execution thereof for the Customer in EUR (euro). This paragraph and subparagraphs thereof, despite the place of the Terms and Conditions in relations between the Parties, shall have priority over other Agreements concluded between the Parties and over the terms and conditions of the respective services.
 - 3.2.1. When paying out any funds to the Customer to which it is entitled under the Agreement, the Bank, prior to paying out, shall have the right to convert them into EUR (euro).
 - 3.2.2. If at the moment of conversion the Customer has liabilities in the Bank, to which an interest rate index other than EURIBOR (The Euro Interbank Offered Rate) is applied, the Bank without prior notice shall have the right to establish that it will further be replaced by EURIBOR.
- 3.3. If an interest rate is applied in addition to the basic rate for the Customer within the framework of any Banking Service and it is cancelled or ceases to exist due to any other reasons, the Bank shall unilaterally apply a different, essentially equivalent index, notifying the Customer thereof. With regard to EURIBOR, the Bank shall primarily determine, as a replacement index, the interest rate (which, inter alia, includes all mark-ups and adjustments) officially recommended by (1) the working group on euro risk-free rates, created by the European Central Bank ('ECB'), the Financial Services and Markets Authority ('FSMA'), the European Securities and Markets Authority ('ESMA') and the European Commission, or (2) the European Money Markets Institute as the EURIBOR administrator, or (3) a competent authority responsible for the European Money Markets Institute ('EMMI') as the EURIBOR administrator in accordance with Regulation (EU) 2016/1011, or (4) a national competent authority authorised by each Member State in accordance with Regulation (EU) 2016/1011, or (5) the European Central Bank.
- 3.4. For all transactions between the Bank and the Customer where currency conversion is necessary and where there is no special agreement regarding the exchange rate to be applied on such transactions, the Bank's currency exchange rate established at the moment of such transaction

shall be applied, available on the Bank's home page or in the Bank's premises during the Bank's working hours.

- 3.5. The exchange rate applied to a transaction shall be indicated in the corresponding document confirming such transaction.

4. Account

4.1. Account Opening

- 4.1.1. The Bank shall consider a possibility to open a Current Account and/or Basic Account at the Bank after all the required documents have been submitted. While verifying a potential Customer and the submitted documents the Bank shall have the right to request and process additional information. Other Accounts shall be opened in accordance with the procedure stipulated in the respective service Agreements.
- 4.1.2. The Customer's application regarding an opening of the Current Account or any other Account shall not oblige the Bank to open such an Account, unless it is directly stipulated by the normative acts binding to the Bank.
- 4.1.3. The Customer's Current Account at the Bank shall be a Multicurrency Account, unless otherwise specified in the Agreement concluded between the Parties.
- 4.1.4. The Customer must conclude a corresponding Agreement with the Bank on opening of a Current Account and/or Basic Account.
- 4.1.5. If the Customer additionally wishes to open a subaccount (an additional account that is linked to the Current Account), the Customer shall be obliged to submit a written application to the Bank with an explanation for what purposes the subaccount is opened. The Banking Operations shall be carried out in the subaccount according to the terms and conditions of the respective Agreement that has been already concluded.
- 4.1.6. Where the Customer is a minor individual of up to 16 years of age, the Current Account Opening and Servicing Agreement on behalf of the Customer may be signed by one of the parents of the Customer or a custodian appointed with a decision of the Orphan's Court.

4.2. Use of Account

- 4.2.1. An Account of an individual may be used by the individual itself or by his/her designated person.
- 4.2.2. A legal entity shall use its Account via its representatives who have registered their rights at the Bank to use the Account of the respective legal entity. The Bank shall be entitled to attribute the rights of the representative to all accounts at the Bank that are owned by the owner of the respective Account, unless the Agreements on opening and servicing of Account signed between the Bank and the Customer stipulates otherwise or unless there are any other written instructions submitted to the Bank by the owner of the Account.
- 4.2.3. The Customer undertakes all responsibility for its Applications and Payment Orders submitted to the Bank, as well as for completeness and preciseness thereof.

4.3. Closing and Blocking of Account

- 4.3.1. The Bank shall be entitled to close or block the Account upon the receipt of the Customer's written order on closing or blocking of the Account, as well as in other cases provided for by the respective Agreement, the Terms and Conditions, the normative acts of the Republic of Latvia, the European Union or other normative acts binding for the Bank.
- 4.3.2. If there are funds in the Account and Customer submitted an order to the Bank to close the Account, the Bank shall have the right to block the Account and permit outgoing Transfers only.
- 4.3.3. Where unilateral decision has been made by the Bank regarding the termination of the Agreement and closure of the Account, the Bank shall inform the Customer about the decision, where this is prescribed by the corresponding Agreement, the Terms and Conditions, the normative acts of the Republic of Latvia, the European Union and other normative acts binding for the Bank. Upon terminating the Agreement, the Bank may determine the procedure for receipt of the balance of the Account. The Bank shall be obliged to block the Account and not to accept Payment Orders for operations execution in the Account, which do not correspond to the procedure for receipt of the balance of the Account established by the Bank.

- 4.3.4. The Bank shall be entitled to close or block the Account and/or terminate the respective Agreement, without individually notifying thereof, in the event the Customer has not carried out any Banking Operations in the Account for more than 12 (twelve) months, and one of the following conditions has set in:
- 4.3.4.1. the balance of the Account is equal to or less than 5 (five) euro;
 - 4.3.4.2. the balance of the Account is less or equal to the sum of the accrued commission fees. The Bank uses the Financial Assets in the Account to pay accrued commission fees.
- 4.3.5. The Bank shall be entitled at its sole discretion to independently require information from the Customer, and the Customer shall be obliged to provide to the Bank the requested information, including to complete the questionnaire prepared by the Bank and submit other documents, including the ones that characterise the Customer's economic activity, the Customer's Real Beneficial Owner's personal activity, welfare and its origin, information on the transactions performed by the Customer, including information on the Banking operations with cash, its origin, etc.
- 4.3.6. The Customer shall be obliged to cooperate with the Bank to the extent stipulated by the normative acts of the Republic of Latvia, the European Union and other normative acts binding for the Bank (including the Law on Agreement between the Government of the United States of America and the Government of the Republic of Latvia to Improve International Tax Compliance and to Implement the Foreign Account Tax Compliance Act (FATCA), Law on Taxes and Fees and the Law on Convention on Mutual Administrative Assistance in Tax Matters (OECD Common Reporting Standard), as well as to provide to the Bank all the necessary information regarding the Customer's and its Real Beneficial Owner's tax residency, place of residence, place and nature of commercial activity, taxpayer number, as well as to inform on any changes in the provided information without delay. The Bank, according to the procedure stipulated by the normative acts, shall independently make a decision on provision of corresponding information about the Customer's, its Real Beneficial Owner's tax residency, economic status (active or passive non-financial entity, financial institution) to the State Revenue Service. The Customer shall indemnify the Bank for all losses that the Bank might incur due to the fact that the Customer has not complied with the obligations mentioned in this paragraph or the information provided by the Customer is or has become false, inaccurate or outdated. Where a Customer refuses to fulfil or improperly fulfils the liabilities specified in this paragraph, the Bank shall have the right unilaterally without delay to terminate business relations with the Customer and to close the Customer's accounts.
- 4.3.7. The Bank has the right to immediately refrain from the Banking Operations execution on the Accounts, to close, block the Accounts, to terminate business relations with the Customer, i.e., all Agreements entered into by and between the Parties, unilaterally, as well as to terminate any Agreement unilaterally without the Customer's prior warning also in the following cases:
- 4.3.7.1. the Customer has not submitted the documents requested by the Bank within the term specified by the Bank and/or the documents submitted are incomplete;
 - 4.3.7.2. if the Bank knows or suspects that information provided by the Customer is not true;
 - 4.3.7.3. if the Customer, with its action, can create reputational risk or financial losses for the Bank, or the Customer permits legally punishable, dishonest or unethical action;
 - 4.3.7.4. if the Bank has data or suspicion that the Customer or its related person realizes actions connected to the attempt of Money laundering and terrorism and proliferation financing, violation or by-passing of sanctions determined in the Law on International Sanctions and National Sanctions of the Republic of Latvia, or other criminal action;
 - 4.3.7.5. for the purposes of protection of the Customer's property (e.g. the Bank has learned that the Customer's Payment Instrument or other identification information has been acquired by third persons);
 - 4.3.7.6. in the event of death of the Customer – individual or the Customer's representative;
 - 4.3.7.7. in the event of liquidation of the Customer – legal entity;
 - 4.3.7.8. if information is received that insolvency proceedings in respect of the Customer have been initiated or declared;

- 4.3.7.9. in accordance with an order of the State Revenue Service, a decision or an order of the law enforcement institutions of the Republic of Latvia;
- 4.3.7.10. in accordance with decisions of the authorities supervising the Bank's activity, as well as in cases stipulated by the normative acts binding for the Bank;
- 4.3.7.11. if the Customer has delayed the fulfilment of its obligations towards the Bank, including commission fee debts;
- 4.3.7.12. if the Customer, starting from the day of opening of the Account, has not performed any Banking Operations in the Account for more than 6 (six) months;
- 4.3.7.13. in all other cases specified in these Terms and Conditions and/or in Agreements concluded between the Parties.
- 4.3.8. The Customer shall be obliged to regularly renew the validity of authorization of the Customer's representative at the Bank. If the validity of authorization of the Customer's representative has expired, the Bank shall be entitled to block the Account. The Bank shall activate the Customer's Account after the renewal of the respective authorization and after the submission of the power of attorney to the Bank.
- 4.3.9. The Customer shall be obliged to submit to the Bank in a timely manner a new identity document of the Customer/Customer's representative as soon as the previously submitted document expires. If the validity period of the identity document has expired, the Bank has the right to block the Account until a new document is submitted.
- 4.3.10. The Customer shall be obliged to release the Bank from all liabilities undertaken by the Bank during the fulfilment of the Customer's orders given until the moment of closure of the Account, to compensate to the Bank all expenses and losses incurred due to such liabilities, and if necessary to submit corresponding collateral.
- 4.3.11. The documents submitted by the Customer for opening of the Account and for receiving the Banking Services shall not be returned to the Customer.

5. Procedure of Payments

5.1. Incoming Transfers to the Account

- 5.1.1. The Bank shall be entitled to accept any payments into the Account without the Customer's consent.
- 5.1.2. The Bank shall be entitled to deposit funds to the Customer's account based on the IBAN number of the account indicated in the incoming Transfer, without taking into account the name of the Beneficiary indicated therein.
- 5.1.3. The Bank shall be entitled but not obliged to check conformity of the IBAN account number specified in the incoming Transfer with the name of the Beneficiary. In case of discrepancy, the Bank shall reserve the right to refuse to credit funds to the Account or to request to precise payment details.
- 5.1.4. The incoming Transfer must contain the following information about the Remitter:
 - Remitter's account number;
 - Remitter's name, surname (for individual) or company name (for legal entity).
 - Where the Transfer is performed outside the European Union, additionally:
 - Remitter's address, identity document number, Remitter's identification number or date and place of birth.
- 5.1.5. The Transfer must contain the purpose of Transfer, which clearly describes the nature thereof, the goods or services paid for (name, volume or goods and/or services, and number and date of supporting document (agreement, invoice, etc.)).
- 5.1.6. If the incoming Transfer does not contain information mentioned in Paragraphs 5.1.4 and 5.1.5 or other information required for conformity check, the Bank shall be entitled at its discretion to postpone such crediting of funds to the Account. If the Bank does not receive the necessary information, it shall have the right to refund the corresponding funds to the Remitter.
- 5.1.7. In the event the Bank has credited the Account by mistake, due to misspelling or otherwise without legal basis, the Bank shall debit the Account for the same amount after it has found that such a situation has occurred and without prior notification of the Customer.
- 5.1.8. The Bank shall transfer the Transfers addressed to the Customer from other banks to the Account

on Banking Days until the time specified in the Price List after it receives a confirmation that complies with the Bank's requirements on crediting the Transfer amount to the Bank's correspondent account.

- 5.1.9. If the exchange rate for the currency of the incoming Transfer to the Account at the corresponding moment is not set at the Bank, the Bank shall have the right to convert such incoming funds into EUR (euro) at the moment of Transfer crediting to the Account. The Bank independently determines the currencies in which it accepts the Transfers, and it shall be entitled unilaterally at any moment to introduce changes therein. Before the Payment is made, the Customer shall independently assure itself of the possibility to receive it in the intended currency and inform the Remitter.
- 5.1.10. The Bank shall have the right not to credit the Account with the funds that have been credited to the Bank's correspondent account, which is not included in the list of correspondent accounts published on the Bank's home page, until these funds are credited to one of the correspondent accounts specified on the Bank's home page.
- 5.1.11. The Bank shall have the right not to execute the Transfer addressed to the Customer and to refund it to the Remitter's payment services provider, including where:
 - 5.1.11.1. the Transfer has been received from the country or territory, which has a high risk of money laundering and terrorism and proliferation financing, or against which international sanctions or national sanctions of the Republic of Latvia are applied;
 - 5.1.11.2. the Transfer has been received from intermediaries, parent companies of which are registered in a country or territory, which has a high risk of money laundering and terrorism and proliferation financing, or against which international sanctions or national sanctions of the Republic of Latvia are applied;
 - 5.1.11.3. the performer of the Transfer is included on the list of subjects that are suspected of money laundering or terrorism and proliferation financing;
 - 5.1.11.4. a correspondent bank, on the correspondent account of which the mentioned funds have been received, fails to fulfil its obligations, as a result of which crediting of corresponding funds to the Customer is inadequately delayed or becomes impossible.
- 5.1.12. If due to any reasons refunding the Transfer to the Remitter's payment services provider is not possible in the currency, in which the incoming amount has been received, the Bank shall have the right to convert the respective funds and refund them in EUR (euro).
- 5.1.13. Observing the provisions of the Law on International Sanctions or National Sanctions of the Republic of Latvia, the Bank shall be entitled to not credit the Transfer addressed to the Customer and freeze the funds in a separate account.

5.2. Outgoing Transfers from the Account

- 5.2.1. The Bank shall make Transfers of the funds from the Customer's Current Account or Basic Account. the Transfer may also be made from the Card Account, unless the Agreement concluded with the Customer stipulates otherwise.
- 5.2.2. The Bank is entitled to set limits for the Transfer from the Account. The Customer is entitled to address to the Bank with a request to reconsider the specified limits, whereas the Bank is entitled to reject the Customer's request.
- 5.2.3. The Transfer of money shall be performed by the Bank according to the Customer's instructions specified in the Payment Order. The Customer shall be obliged to prepare Payment Orders precisely and correctly. The wording of Payment Order shall comply with the Bank's requirements indicating full details of the Beneficiary. With respect to carrying out of Transfers, the Bank shall not be liable for any mistakes, discrepancies and inaccuracies that have occurred due to mistakes or delays in the operation of external information and communication systems, networks, etc., as well as due to unclear, incomplete, inaccurate or incorrect data indicated by the Customer in a Payment Order, etc. or similar circumstances occurred due to another reason beyond control of the Bank.
- 5.2.4. The Customer shall be obliged to include the following details in the Payment Order:
 - **Customer's name, surname (for individual) or company name (for legal entity) and Account number in the Bank;**
 - **date;**

- **currency and amount in figures (for Payment Orders submitted in paper format also in words);**
 - **Beneficiary:**
 - name and surname (for individuals) or company name (for legal entities);
 - full address (country, city, street, house number, office/apartment number, postal code);
 - account number (in IBAN format, where the beneficiary is a customer of a bank of the European Union Member State or other country where the IBAN format is mandatory);
 - **Name of the Beneficiary's payment services provider**, its code (SWIFT, FW, BLZ, etc.), address; where necessary name, address, code of subsidiary;
- Information about the Beneficiary's payment services provider may be not specified in cases where the Transfer is made in EUR currency to the European Union Member State or the European Economic Area country, and a correct IBAN of the Beneficiary is specified.
- **type of Payment;**
 - **external payment code** in accordance with the "Regulation for Preparation of Nonbank External Payments Statements" No.112 of the Bank of Latvia;
 - **purposes of Transfer:**
 - a detailed name and amount of goods and services must be indicated;
 - the document on the basis of which the Transfer is made, stating its number and date (agreement, invoice, etc.);
 - where the purpose of Transfer states a name of a vessel, the vessel's IMO number must be specified;
 - details must be written using Latin letters in a language in which the Transfer must be received (except for Transfers are made in RUB currency).

For Transfers in RUB currency:

The information on the Beneficiary, its payment services provider must be indicated in a language in which the original names thereof are, and the following additional information must be specified:

- **Beneficiary:**
 - for a legal entity INN (individual taxpayer number for residents of the Russian Federation) must be indicated;
 - for an individual – name, surname and patronymic name must be indicated;
- **Beneficiary's payment services provider:**
 - BIC (bank identification code of a Russian bank);
 - its correspondent account in the Central Bank of the Russian Federation;
- **Purpose of Transfer:**
 - a detailed name and amount of goods and services of the Transfer must be indicated;
 - the document on the basis of which the Transfer is made must be indicated stating its number and date (agreement, invoice, etc.);
 - it is compulsory to include the **information on VAT** (value added tax) and, where the Transfer amount contains VAT, the amount of VAT must be indicated;
- **CO** (currency operation type code).

For all types of Payments the description of the purpose of Transfer cannot exceed four lines consisting of 35 characters.

- 5.2.5. In addition to other cases stipulated in the Terms and Conditions and the Agreement, the Bank shall be entitled to deduct the funds from the Account without prior coordination or agreement with the Customer in the following cases:
- 5.2.5.1. in cases and according to the procedure stipulated in the normative acts of the Republic of Latvia and the European Union and other normative acts binding for the Bank;
 - 5.2.5.2. for the executed Banking Operations and the Banking Services provided to the Customer;
 - 5.2.5.3. in the event the payment/Transfer into the respective Account has been made erroneously or without legal basis;
 - 5.2.5.4. to cover the Bank's claims towards the Customer.

5.3. Provision of Information

- 5.3.1. If an incoming Transfer is made into the Account, then, after the respective amount has been credited to the Account, the Bank provides an opportunity to the Customer to receive the following information:
 - 5.3.1.1. The transaction registration number which allows the identification of such Transfer and, if possible, information which identifies the Remitter and any additional information which has been provided along with the Transfer;
 - 5.3.1.2. The Transfer amount in the currency, in which it is credited to the Account;
 - 5.3.1.3. The Transfer amount in the currency before currency exchange and the applied exchange rate where currency conversion was executed;
 - 5.3.1.4. The date of valuation of money assets being credited to the Account;
 - 5.3.1.5. The amount of the Bank's commission fee, method of payment and distribution thereof.
 - 5.3.2. If an outgoing Transfer is made from the Account, then, after the amount thereof has been debited from the respective Account, the Bank provides an opportunity to the Customer to receive the following information:
 - 5.3.2.1. The transaction registration number which allows the identification of such a Payment, and information on the Beneficiary;
 - 5.3.2.2. The Transfer amount in the currency, in which it is debited from the respective Account;
 - 5.3.2.3. The Transfer amount in the currency after currency exchange and the applied exchange rate where currency conversion was executed;
 - 5.3.2.4. The date of valuation of money assets to be debited from the respective Account.
 - 5.3.3. Special conditions for the Customers – Consumers: Customers-Consumers shall receive information free of charge provided that the following conditions are met:
 - 5.3.3.1. By concluding an Agreement with the Bank on the use of Internet Banking services at any time in electronic format at the Internet Banking;
 - 5.3.3.2. If the Agreement mentioned in Paragraph 5.3.3.1 has not been concluded or it is specially stipulated in the Agreement on opening of Current Account and/or the Basic Account Opening and Servicing Agreement, such information shall be provided at the Bank's premises during working hours, provided that the Customer presents a personal identity document. In this case the Bank shall provide to the Customer an Account Statement including all information according to the requirements of the normative acts of the Republic of Latvia, the Terms and Conditions and the Agreement entered into by the Parties.
 - 5.3.4. Customers who are not Consumers shall receive the information free of charge by concluding an Agreement with the Bank on the use of Internet Banking Services at any time in electronic format at the Internet Banking. In any other cases, the conditions of the receipt of information shall be regulated by the Agreements between the Customer and the Bank, and by the Price List.
 - 5.3.5. All Customers shall be obliged to become acquainted with the flow of Financial Assets in the Account by checking the Account Statements or in any other way provided for in the Terms and Conditions at least once every calendar month and to assess the correctness of the Transfers made to/from the Account. The Customer shall be obliged to notify the Bank in writing about unauthorized or erroneous Payment as soon as possible, but not later than within the term mentioned in Terms and Conditions.
- 5.4. Other Terms and Conditions of Payments**
- 5.4.1. When receiving the Payment Orders and executing Transfers, the Bank shall comply with the normative acts of the Republic of Latvia and the European Union and other binding normative acts, as well as the international banking practice.
 - 5.4.2. The Payment Order shall be considered as received on the day it is received by the Bank. If the day of receipt of the Payment Order is not a Banking Day, the Payment Order shall be considered as received on the next Banking Day. The Payment Order shall be considered as received on the next Banking Day also in the event it is received on the Banking Day after the deadline set in the Price List (or the Agreement) for submission of the Payment Order.
 - 5.4.3. If the Bank and the Customer agree individually that the execution of the Payment Order will be commenced on a particular day or by the end of a particular term, or on the day when the Customer has transferred the necessary amount of funds to the disposal of the Bank, the moment of receipt of the Payment Order shall be considered to be the day on which an

agreement was reached. If the day on which an agreement was reached is not a Banking Day, the Payment Order shall be considered as received on the next Banking Day.

- 5.4.4. If the Payment Order cannot be executed due to the insufficiency of information available to the Bank, this Payment Order shall be considered as received on the Banking Day when all the information necessary to execute the Payment Order is received. This paragraph shall not affect the right of the Bank to refrain from executing the Payment Order in the cases stipulated in Paragraph 5.4.5.
- 5.4.5. The Bank shall be entitled to refuse to execute the Customer's Payment Order in the following cases:
 - 5.4.5.1. If the amount in figures indicated in the Payment Order differs from the amount in words, the Bank shall be entitled, but not obliged to consider the amount indicated in words to be the correct one. When using the remote submission of Payment Orders, the Bank shall consider the amount in figures to be the correct one;
 - 5.4.5.2. If the Customer in the Payment Order has failed to indicate all the necessary details or if the details are erroneous;
 - 5.4.5.3. If the Payment Order does not comply with the provisions of Paragraphs 5.2.3 and 5.2.4;
 - 5.4.5.4. If the Bank suspects that the Payment is made for money laundering or terrorism or proliferation financing purposes, or can cause the risk of such activities;
 - 5.4.5.5. If the Bank suspects that the Payment is made for the purposes of violating or by-passing the sanctions determined in the Law on International Sanctions and National Sanctions of the Republic of Latvia, or can cause the risk of such activities;
 - 5.4.5.6. In any other cases provided for in the Terms and Conditions, in the normative acts of the Republic of Latvia and the European Union and other normative acts binding for the Bank.
- 5.4.6. The Bank shall be entitled to suspend execution of Transfer in cases where it is necessary to decide whether the collateral of the Customer's liabilities towards the Bank is required and justified.
- 5.4.7. If the Customer has not indicated all the necessary details, the Bank shall be entitled, but not obliged to contact the Customer for additional information. If the Bank does not manage to contact the Customer in order to specify Payment Order details, the Bank shall be not to execute the outgoing Transfer. The Customer shall be entitled to turn to the Bank for assistance in order to find out the details necessary for the outgoing Transfer, and the Bank hereby undertakes to provide the necessary information to the Customer within its possibilities.
- 5.4.8. Where the exchange rate for the Transfer currency at the corresponding moment is not established at the Bank, the Bank shall have the right, at the moment of executing the Payment Order, to convert the respective funds into EUR (euro). The Bank shall independently determine the currencies in which the Bank executes Transfers and at any moment it shall have the right to unilaterally make changes therein. Prior to making Payment, the Customer shall independently assure itself of the possibility to execute it in the intended currency.
- 5.4.9. The Bank shall not be held liable for the execution of the Payment Order submitted to the Bank in the event there is not enough money for fulfilling of such Payment Orders in the Accounts. If within 10 (ten) Banking Days following the day of submission of the Payment Order the Customer fails to provide the amount of funds required for the payment execution in the Account, the Payment Order shall be cancelled, unless the Terms and Conditions of Banking Services or the Terms and Conditions of Banking Operations provide for otherwise.
- 5.4.10. If the Customer has submitted several Payment Orders for the total amount that exceeds the funds available in the Account, and if the Customer has not asked the Bank to execute them in a certain sequence, the Bank shall be entitled to execute these Payment Orders in an optional sequence at its sole discretion.
- 5.4.11. If the Customer has submitted a Payment order in a certain currency for an amount that exceeds the funds available in this currency or if there are no such funds available in the Account for the Payment execution, the Bank shall be entitled at its sole discretion to use the Customer's funds available in other currencies, however, this shall not be the Bank's obligation. In such case the currency exchange rate established by the Bank on the respective day shall be applied.
- 5.4.12. The Account Statement issued by the Bank shall be considered to be a sufficient evidence of

incoming or outgoing Transfer execution.

- 5.4.13. The Bank has fulfilled its liabilities from the moment the Account has been debited for the respective amount of Transfer. The Bank shall not be held liable for the paying out of the amount to the Beneficiary indicated in the Payment Order.
- 5.4.14. The Bank shall have the right to refrain, to set restrictions for Payments execution or to completely refuse to execute them, where proper execution thereof is delayed due to the normative acts, other regulatory requirements applicable to the Bank, including the regulation issued or decisions made by regulatory authorities, or the decisions made by correspondent banks or other Bank's partners.
- 5.4.15. For execution of the Payment Order, the Bank shall have the right to transfer to the Beneficiary bank the information specified in the Payment Order, as well as personal data of the Customer (name, surname, official personal identity document number, personal identification number or place and date of birth). The aforementioned information and the Customer's personal data may be transferred also to the Beneficiary, where is necessary for ensuring the execution of the Payment Order.

5.5. **Revocation of and Changes in Payment Orders**

- 5.5.1. The Customer shall be entitled to request the Bank to revoke or change a Payment Order by submitting a respective order to the Bank and paying the commission fee indicated in the Price List.
- 5.5.2. Upon receipt of the order mentioned in Paragraph 5.5.1 and provided that the Payment had not yet been executed by the Bank, but its processing has been started, the Bank shall take all the necessary actions in order to stop or change such a Payment. In case the Bank has withheld a commission fee for the execution of the Payment, it shall not be refunded to the Customer.
- 5.5.3. Upon the receipt of the Customer's order mentioned in Paragraph 5.5.1, in cases when the Payment has already been executed, the Bank shall take all the necessary actions to recover the money or change the Payment as far as it is possible.
- 5.5.4. After the Customer has submitted to the Bank an order on revoking or changing of a Payment Order, the Bank shall not guarantee that the Payment will not be executed or that the changes will be made.
- 5.5.5. The Bank shall refund the funds indicated in the Customer's Payment Order only after the Bank has received the respective funds from the correspondent bank. The Customer is aware that the banks involved in the Payment execution are entitled to deduct their commission charges from the money to be refunded to the Customer.
- 5.5.6. If the funds are credited to the Account, the recovery of these funds upon the Remitter's request may occur only with the consent of the Customer, unless the binding normative acts stipulate otherwise.
- 5.5.7. If the Payment is initiated through the intermediary of the provider of the Payment Initiation Service, the Remitter cannot revoke the Payment Order after it has submitted it to the provider of the Payment Initiation Service.

5.6. **Responsibility of the Bank for Execution of Payment Orders. Erroneous or Unauthorized Payments**

- 5.6.1. The Bank shall be responsible for the correctness of fulfilment of a Payment Order according to the IBAN number of the account indicated by the Payment initiator – the Remitter or the Beneficiary, i.e. for the receipt of such Payment by the Beneficiary's payment services provider. If the Beneficiary's payment services provider can prove the receipt of the Financial Assets according to the IBAN number of the account indicated in the Payment Order, then the Beneficiary's payment services provider shall be obliged to ensure that the Beneficiary receives the Financial Assets*.
- 5.6.2. If the Bank is responsible for the fulfilment of a Payment Order to the Customer-Remitter under Paragraph 5.6.1, the Bank shall immediately compensate the amount of an unexecuted or

* Provisions of Paragraph 5.6.1 shall be applicable under the condition that the Beneficiary's payment services provider is located in Latvia or other European Union Member State or the country of the European Economic Area, and that the payment service is provided in euro.

- erroneous Payment to the Customer or renew the status of the Customer's Account as it would have been if the erroneous Payment had not been made.
- 5.6.3. If the Bank is responsible for the fulfilment of a Payment Order to the Customer-receiver under Paragraph 5.6.1, the Bank shall immediately Transfer the corresponding Payment amount to the Customer's Account.
- 5.6.4. Irrespective of the responsibility under Paragraph 5.6 hereof, upon the Customer's request, the Bank shall make its best efforts to immediately trace a Transfer and shall inform the Customer on the result, as well as to recover the amount of an unexecuted or erroneous Payment Order. For the recovery of Financial Assets, the Bank shall be entitled to deduct a fee subject to the Price List from the Customer's account, except for the cases when the Payment Order was made erroneously due the Bank's fault.
- 5.6.5. If a Payment Order has not been executed or has been executed erroneously due to mistakes or deficiencies in the Payment Order submitted to the Bank, or if the Payment Order has not been executed due to the fault of the correspondent bank indicated by the Customer, the Bank shall not be responsible for the non-execution or erroneous execution of such a Payment Order. In this case the Bank shall repay to the Customer the Payment amount only after its recovery; furthermore, the Bank shall not be obliged to repay the fees paid by the Customer in relation to the execution of such a Payment Order. The Bank shall be entitled to deduct the actual expenses related to such recovery from the received amount.
- 5.6.6. The Bank shall be responsible for the execution of Payments in compliance with the requirements of the normative acts of the Republic of Latvia and other normative acts binding for the Bank.

6. Payment Initiation and Account Information Services

- 6.1. To initiate the Payment and access the Account information, the Customer, in accordance with the applicable normative acts, shall have the right to use the services of other payment services providers that provide the Payment Initiation Service and the Account Information Service. The Customer shall give its consent to the execution of the Payment and/or requesting of information from the Bank to the relevant provider of the Payment Initiation Service and/or the provider of the Account Information Service.
- 6.2. After receiving the Payment Order from the provider of the Payment Initiation Service, the Bank shall provide/make available to the provider of the Payment Initiation Service all the information on initiation of the Payment and all the information available to the Bank on execution of the Payment.
- 6.3. The Bank shall process Payment Orders, submitted using the services provided by the provider of the Payment Initiation Service, and information requests, sent to the Bank using the services provided by the provider of the Account Information Service, under the same conditions as Payment Orders and information requests which would have been submitted by the Customer to the Bank directly, inter alia, applying commission fees according to the Bank's Price List of Services, except cases when there are objective reasons for a different processing.
- 6.4. Using the Payment Initiation Service and the Account Information Service, the Customer shall devote due caution to ensure that it understands correctly and clearly the essence of the relevant services, as well as the terms and conditions according to which the relevant service is used. Using the Payment Initiation Service or/and the Account Information Service, the Customer shall enter into business relationship with the relevant payment services provider, the Bank shall not be liable for the actions of the provider of the Payment Initiation Service or the provider of the Account Information Service, and shall not control them in so far the applicable normative acts provide for otherwise.
- 6.5. The Customer shall be obliged to inform the Bank immediately about the providers of Payment Initiation Services and the providers of Account Information Services, the receipt of services of which is considered to be undesirable by the Customer and the execution of Payments/obtaining of Account information from the Bank is considered to be unauthorised.
- 6.6. The Bank shall have the right to block the access of the provider of the Payment Initiation Service and the provider of the Account Information Service to the Account due to objectively justified

reasons. The Bank shall publish information on the providers of Payment Initiation and Account Information Services blocked by the Bank on the Bank's Home Page.

7. Terms and Conditions of Remote Account Management Tools

7.1. The Bank shall offer to its Customers the following Remote Account Management Tools:

7.1.1. Internet Banking;

7.1.2. SMS Banking.

7.2. When signing the Agreement on the Use of the Internet Banking services, the Customer shall receive a user code and Digipass. During the validity of the Agreement, the Bank shall hand over the Digipass for use by the Customer withholding a commission fee indicated by the Bank according to the Price List. In case of termination of the Agreement, the Customer shall be obliged to return the Digipass (except for a virtual solution) to the Bank.

8. Terms and Conditions of Documentary Operations

8.1. The Bank shall offer to its Customers the following documentary operations:

8.1.1. guarantee;

8.1.2. letter of credit;

8.1.3. documentary collection.

8.2. Documentary operations shall be made according to the following international regulations on documentary operations:

8.2.1. Uniform rules of the International Chamber of Commerce (ICC) – Uniform Rules for Demand Guarantees (ICC publication No. 758, y.2010);

8.2.2. Uniform rules of the International Chamber of Commerce (ICC) – Uniform Customs and Practice for Documentary Credits (ICC publication No. 600, y.2007);

8.2.3. Uniform rules of the International Chamber of Commerce (ICC) – Uniform Rules for Collections (ICC publication No. 522, y.1995).

8.3. The Customer shall submit Applications to the Bank for execution of documentary operations via Internet Banking. Where this is not possible, the Customer has to visit the Bank in person.

8.4. The Bank shall examine the Applications for documentary operations, the supporting and accompanying documents within 3 (three) Banking Days, excluding the day of submission of the Application and the related documents.

8.5. In accepting the Customer's Applications, documents and in executing documentary operations, the Bank shall comply with the normative acts of the Republic of Latvia and the European Union and other binding normative acts, as well as the international banking practice.

8.6. The Bank shall have the right to refuse or refrain from execution of documentary operations. The Bank shall have the right not to provide explanations to the Customer regarding the reasons of such decision, as well as the Bank shall not be responsible for the losses that the Customer incurs as a result of such refusal.

8.7. The Customer shall be obliged in accordance with the Bank's Price List and the requests that the Bank has received from its or invoices received by the Bank from its cooperation banks, to cover all the expenditure related to the servicing of the documentary operation services and incurred (now or in the future) by the Bank or its cooperation bank.

8.8. The documents that the Bank sends in relation with the execution of the documentary operations shall be sent using a courier service chosen by the Bank. The Bank shall not be liable for damages, loss or delay of delivery of the documents to the addressee performed by the courier service, and for losses incurred by the Customer as a result of the above.

8.9. The documents that the Banks sends in relation to guarantees or letters of credit, the Bank shall sent in accordance with the instructions provided by the cooperation ban regarding postal address of the document receiver. Whereas the Customer shall be responsible for authenticity of the postal address of the cooperation bank specified in the Application, and the Bank shall not be responsible for losses that the Customer incurs in case the cooperation bank is not located at the specified address.

8.10. The Bank shall not be responsible for losses that the Customer incurs in relation to the documentary operations as a result of action or inaction of cooperation banks or third persons.

- 8.11. The Bank shall have the right to determine execution of documentary operations in other currency, where proper execution thereof in the specified currency is difficult or not possible.
- 8.12. All the documents that the Bank receives in relation to execution of documentary operations, the Bank shall consider as true and authentic. The Bank shall not be responsible for the format, completeness, trueness, validity, content of the submitted documents and for correspondence of the statements contained therein with reality.

9. Terms and Conditions of Payment Cards

- 9.1. The Bank shall issue to its Customers payment cards of international payment card system Mastercard International Incorporated (Delaware, USA), whose subsidiary is Mastercard Europe Sprl (Belgium).
- 9.2. Before issuing the cards, a payment card issue, use and maintenance agreement shall be signed between the Bank and the Customer.
- 9.3. The Card Account opening, payment cards issue and service takes place in accordance with Terms and Conditions of Issue, Use and Maintenance of Payment Cards. Mastercard World Elite payment cards issue and service take place in accordance with Terms and Conditions of Issue, Use and Maintenance of Payment Cards as well as in accordance with Mastercard World Elite Card Use Terms and Conditions.

10. Terms and Conditions of Term Deposits

- 10.1. The Term Deposit shall be placed at the Bank in accordance with the respective Agreement.
- 10.2. The Bank shall calculate and pay interest for term deposit to the Customer. Interest shall be calculated for each day when the term deposit is located in the deposit account. The day of placement of the term deposit and the payment day shall be considered to be one day.
- 10.3. Deposit rates for a deposit with a term up to 1 (one) year shall be calculated by assuming that in a year there are 360 days, while the deposit term in full months shall be calculated based on the actual number of calendar days.
- 10.4. Deposit rates for a deposit with the term starting from 1 (one) year (including) shall be calculated by assuming that in a year there are 360 days, while the deposit term in full months shall be calculated assuming that in a month there are 30 days.
- 10.5. The Customer shall be entitled to receive the term deposit and interest in accordance with the provisions of the Agreement.
- 10.6. The Customer shall be entitled to terminate the term deposit Agreement before its expiry in accordance with the provisions of the Agreement. In the event of early termination of the term deposit Agreement, the Customer shall pay to the Bank a contractual penalty indicated in the term deposit Agreement, which shall be deducted from the due amount of term deposit. In case the term deposit is collateral of the Customer's liabilities towards the Bank, the Bank shall be entitled to refuse to repay the deposit until the collateral obligation is discharged.
- 10.7. If any taxes or any other charges upon interests paid by the Bank to its Customer are stipulated under the applicable normative acts, the Bank shall be entitled to deduct such charges from the corresponding amount of interest and to pay to the Customer the remaining amount.

11. Terms and Conditions of Opening and Servicing of Financial Instruments Account

- 11.1. A Financial Instruments account and the related accounts shall be opened in accordance with the relevant Agreement.
- 11.2. The Financial Instruments account and the related accounts shall be opened for the Customer, if the Customer has a Current Account.

12. Terms and Conditions of Cash Transactions

- 12.1. The Terms and Conditions do not apply to cash transactions made via ATMs.
- 12.2. The Bank shall have the right to refuse to execute a cash transaction without provision of additional explanations.
- 12.3. The Bank shall have the right to request, whereas the Customer shall be obliged to provide the documents that support certain cash transaction, as well as any other explanations regarding its

nature, basis and purpose, which in particular cases must be provided prior to the execution of a cash transaction.

- 12.4. The Bank, when executing cash transactions, shall have the right provide to the Beneficiary/Remitter the information specified in supporting documents for deposits/disbursements, including Personal Data.
- 12.5. Cash transactions shall be executed from/to the Account. In particular cases, where this is stipulated by the Agreement or the Banks gives its consent – also to/from other accounts at the Bank.
- 12.6. Cash deposits to the Account may be accepted both from the Customer and from any third person without prior coordination with the Customer.
- 12.7. Cash disbursement from the Account shall be performed only upon the Customer's request.
- 12.8. When depositing cash to the Account, the Customer prior to performing the respective action shall be obliged to check the amount of the deposited funds.
- 12.9. When withdrawing cash from the Account, the Customer shall be obliged to check the received amount of funds immediately after the withdrawal.
- 12.10. The Bank shall have the right to determine in which currencies and in which denomination cash services are available for the Customer, and shall have the right to refuse from transactions with certain banknotes or to apply special commission fee thereto.
- 12.11. The Customer shall apply in advance for withdrawal of cash exceeding the amount indicated in the Price List, as well as for denominations of banknotes according to the procedure stated in the Price List.
- 12.12. If cash has been ordered, but not withdrawn, the Customer shall pay a commission fee indicated in the Bank's Price List.
- 12.13. Processing of coins, exchange of banknotes against banknotes of another denomination, as well as exchange of damaged banknotes is subject to commission fee according to the Price List.
- 12.14. The supporting evidence for the Customer of cash depositing or withdrawing shall be The Account statement and/or an Application for cash depositing or withdrawing issued by the Bank and/or a cash receipt or Payment order bearing the Customer's signature and a signature and seal of the Bank's employee that confirms execution of the mentioned transaction.
- 12.15. The Bank shall withhold from the market and hand over to the competent authorities all the received banknotes, which are known to be counterfeit, or there is sufficient basis to consider them as such. When withdrawing the respective banknotes, their equivalent shall not be deposited to the Account.

13. Terms and Conditions of Currency Conversion Transactions

- 13.1. The Bank shall perform a cash and non-cash Currency Conversion Transaction (Transaction), applying the exchange rate set by the Bank. The standard currency exchange rate is available on the Bank's Home Page and in the Bank's premises. The exchange rate is purely informative and is subject to change at any time, depending on the interbank market price. To find out the precise exchange rate, the Customer must contact the Bank.
- 13.2. The Customer may perform a Transaction in accordance with the standard currency exchange rate set by the Bank, applicable upon the conclusion of the Transaction, or in accordance with the special exchange rate upon the prior agreement of the Customer with the Bank. This agreement shall be possible only during working hours of the Bank.
- 13.3. Should the Customer and the Bank agree on a special currency exchange rate, the Customer shall be obliged to specify it in the Transaction Application; otherwise, the Transaction shall be performed according to the standard exchange rate set by the Bank upon the conclusion of the Transaction.
- 13.4. When performing a Transaction, the Customer shall specify the following crucial details of the Transaction in the Transaction Application or the Order:
 - 13.4.1. the date of valuation (execution date) of the Transaction;
 - 13.4.2. Customer's company name/ name, surname;
 - 13.4.3. the Current Account for performance of the Transaction;
 - 13.4.4. the currency exchange (buy/sell) rate;

- 13.4.5. the amount and name of the currency bought/sold.
- 13.5. Should the Customer agree with the Bank on a special exchange rate, the Transaction shall be considered as concluded once the Bank receives the Transaction Application.
- 13.6. Prior to submitting a Transaction Application or Order, the Customer shall be obliged to ensure the amount of funds sufficient for the Transaction in the Current Account.
- 13.7. Should the Customer fail to ensure the sufficient amount of funds necessary for Transaction settlements in the Current Account on the payment date, the Bank shall have the right to cancel the Transaction concluded with the Customer, concluding an opposite Transaction with the same date of valuation according to the exchange rate set by the Bank at that moment. Should the opposite Transaction cause losses to the Bank, the Bank shall have the right to use the funds available in the Customer's Account with the Bank for offsetting Bank's claims towards the Customer to cover the difference of exchange rates.
- 13.8. Upon submitting a Transaction Application or Order, the Customer shall confirm that it understands, undertakes liability and assess all risks associated with the Transaction and the submission of the Order/Transaction Application, as well as fully understands and agrees that the conclusion of Transactions and submission of Orders/Transaction Applications is associated with the use of electronic data transmission means, telecommunications and software and that the execution of the Transaction and/or Order/Transaction Application may be impossible due to the accident or operation failure of the said means of communication, and that the Bank shall not be liable for such non-execution.

14. Remuneration for Provision of Banking Services and Indemnification of Expenses

- 14.1. The Banking services and the Banking Operations shall be chargeable services, payment for which may be defined as a commission fee, interest, etc. The amount of payment and its procedure shall be prescribed in the Price List effective at the time when the respective Banking Service or Banking Operation is provided, except for cases when the amount of payment and its procedure is stipulated in the Agreements signed between the Parties.
- 14.2. In case the Customer fails to pay the commission fee owing to the Bank for the provided service or service to be provided or the performed operation or operation to be performed, the Bank is entitled to terminate the transaction with the Customer without prior notice.
- 14.3. The Customer can become acquainted with the Price List at the Bank's premises during the Bank's working hours and on the Bank's Home Page.
- 14.4. For the Banking Services not included in the Price List, which have been necessary in order to fulfil the Customer's order, the Bank shall be entitled to state a corresponding and fair charge, unless there is any other agreement with the Customer. If the Bank and the Customer have agreed on the service to be provided and on the charge to be paid to the Bank for its provision already before the provision of the respective service, the Customer shall not be entitled to dispute the amount of this charge.
- 14.5. The Bank shall be entitled to deduct from the Customer's Account the respective amount of charge for provision of the Banking Services if the Bank has used the services of any third persons. Upon request of the Customer, the Bank shall issue an invoice.
- 14.6. The Customer shall indemnify the Bank for all expenses related to the activities necessary for the provision of the Banking Services and the Banking Operations, as well as any other costs, for example, duties, taxes, commissions of other banks, etc., which are not included in the Price List. Likewise, the Customer shall be obliged to compensate the Bank for expenses incurred by the latter with regard to the maintenance of the Account or the provision of any other services, if the operations of the Customer with the Bank have been suspended in accordance with binding orders of third parties.
- 14.7. In the event of non-fulfilment or delay in fulfilment of liabilities of the Customer, the Bank shall be entitled to acquire at the Customer's expense all the information, documents and other evidence necessary for the fulfilment of orders of the Customer, for acquiring of information on the Customer, checking of information provided by the Customer, verifying, management or alienation of collateral offered by the Customer, as well as to acquire extracts from registers, certifications from institutions, insurance documents, evidence, etc. The Bank shall be entitled to

withhold all expenses of acquiring of such information from Accounts without a separate agreement with the Customer.

- 14.8. An entry on previously stated charges and indemnification of expenses shall be made in the Account.
- 14.9. The Bank shall have the right to withhold the payments due from the Customer from the Account at any time without previously agreeing with the Customer.

15. Collateral of the Customer's Liabilities

15.1. Subject of Collateral

- 15.1.1. The Customer must take all the necessary measures in order to protect the Bank from responsibility for actions taken by the Bank on behalf of the Customer and, at the Bank's request must compensate all losses, expenses and liabilities incurred by the Bank due to gross negligence, malicious intent or non-performance of liabilities by the Customer.
- 15.1.2. The Bank shall be entitled to require collateral of the Customer's liabilities towards the Bank or (if the collateral of liabilities has already been submitted to the Bank) to request renewal of the initial amount of the collateral or increasing of the collateral in cases when the liabilities are conditional.
- 15.1.3. As of the moment of signing of the Current Account Opening and Servicing Agreement the Customer shall assign all its Financial Assets in any Accounts at the Bank and yield therefrom as a financial collateral to the Bank for the satisfaction of any of the Bank's claims arising from the Agreements concluded between the Bank and the Customer, including the payment for the Banking services provided by the Bank, as well as for expenses, costs, interest and losses of the Bank which might be due to the Bank.
- 15.1.4. Any property in possession, holding or use of the Bank shall be considered collateral of the Customer's liabilities towards the Bank until the moment of fulfilment of such liabilities. The Customer shall be obliged to take care of the maintenance of the subject of collateral, as well as for gaining of yield from it and for the provision of the respective data to the Bank according to its written request.

15.2. Alienation of the Subject of Collateral

- 15.2.1. If the Customer fails to fulfil or improperly fulfils its liabilities towards the Bank, the Bank shall be entitled to collect the debt from any object of the collateral provided by the Customer, incl. Financial Instruments offered by the Customer or available to the Bank, taking the possession of them, and to alienate or use them without a prior notice or separate warning to the Customer, unless the Parties have agreed otherwise.
- 15.2.2. The Bank shall be entitled to collect the debt from the subject of collateral also before expiry of the term of fulfilment of the secured liabilities, provided that the Customer fails to fulfil the Bank's claim to submit, renew or increase the collateral of the Customer's liabilities within the time or according to the procedure stated by the Bank.
- 15.2.3. The income gained from alienation or use of collateral shall be distributed by the Bank according to the following sequence: firstly, for all expenses related to the storage, management and maintenance of the thing (things) to be alienated from the Customer, related to the publication of advertisements (if such are necessary), fees to experts (specialists) and alienation, expenditure related to execution orders of court decisions, legal procedures are covered; secondly, unpaid loan and delay interest due to the Bank from the Customer are covered; third, for payment of the principal amount; fourth, for payment of contractual penalties and other penalties and/or fulfilment of other liabilities towards the Bank arising from delay in fulfilment and/or non-fulfilment of Customer's liabilities (contractual penalty, payment of earnest money). After alienation of the subject of collateral or use of rights and distribution of income, the remaining money resources shall be returned by the Bank to the Customer informing him/her about it within 5 (five) Banking Days.

16. Prevention of Money Laundering and Terrorism and Proliferation Financing

- 16.1. In order to prevent Money Laundering and Terrorism and Proliferation Financing the Bank shall be entitled to:

- 16.1.1. Require from the Customer and the Real Beneficial Owner any information on the Customer and the Real Beneficial Owner, as well as on the personal and economic activities of the Customer and the Real Beneficial Owner;
- 16.1.2. Find out information identifying the Real Beneficial Owner and, for legal entities, also the members structure of the respective legal entity and the way how the Real Beneficial Owner controls the respective legal entity;
- 16.1.3. Request from the Customer and obtain information on the purpose and the expected nature of the transaction;
- 16.1.4. Monitor transactions, request from the Customer and acquire information and documents on Banking operations carried out in the Account, including data of a third person where it is the Customer's counterparty, or where the Customer executes a Transfer on behalf or on the instruction of a third party, copies of agreements and other documents on the basis of which the Payment Orders are executed and money is received in the Account at the Bank indicated in the Payment Orders, documents justifying payments of money into and from the Account, as well as other documents and information the Bank considers necessary for the above mentioned purposes;
- 16.1.5. Analyse the documents submitted by the Customer and to store and regularly update the data and the information.
- 16.2. If Customer has not submitted the requested information and documents within the term stated by the Bank or the Bank suspects that the submitted documents do not comply with the actual circumstances, or that the transaction is subject to the sanctions determined in the Law on International Sanctions and National Sanctions of the Republic of Latvia, or there are suspicions that a transaction is performed to attempt violating or by-passing them, or suspicions arouse that the Money Laundering and Terrorism and Proliferation Financing is carried out, or there is a risk of performance of such activities, the Bank shall be entitled:
 - 16.2.1. To fully or partially refuse to provide the Banking Service and make the Banking Operation;
 - 16.2.2. To inform the Customer about the refusal to carry out the transaction;
 - 16.2.3. To terminate business relationships, i.e., all Agreements entered into by and between the Parties, with the Customer and to request the Customer to fulfil its obligations before the actual term of their fulfilment.
- 16.3. In cases determined in the Law on Prevention of Money Laundering and Terrorism and Proliferation Financing, the Bank shall be entitled to refrain from fulfilling any transactions, including any Payment orders of the Customer. The Bank shall be entitled to inform the Customer on the fact of abstaining from transaction execution, without explaining the reason thereof.
- 16.4. Before starting cooperation with the Customer, the Bank shall request the Customer to provide information on the Banking Services and the Banking Operations, which it plans to use, their amount, as well as other information necessary for commencement and assessment of such cooperation. For this purpose, the Bank has prepared a questionnaire, which must be completed and submitted by the Customer to the Bank before the actual commencement of cooperation.
- 16.5. The Customer shall be responsible for the truthfulness and authenticity of the information provided in the questionnaire. When assessing and organizing cooperation with the Customer, the Bank shall take into account the information provided in the questionnaire.
- 16.6. The Customer shall be obliged to immediately renew or supplement information in the questionnaire upon request of the Bank, as well as immediately inform the Bank about changes in the information mentioned in the questionnaire.
- 16.7. The Bank shall be entitled to refuse to provide the Banking Services and to make transactions if the instructions of the Customer stated in the Application or Payment Order significantly differ from the information indicated in the questionnaire or if the amounts of transfers exceed the limits stated in the questionnaire.
- 16.8. The Customer shall be obliged to fulfil the requirements specified in paragraphs 16.1.1-16.1.4 of the Terms and Conditions within the term determined by the Bank.

17. Set-off and Cession. Lien

- 17.1. The Bank shall be entitled to use the balance of any Account of the Customer, as well as any other Customer's claim against the Bank in order to set-off the Customer's liabilities towards the Bank without a separate agreement with the Customer or consent of the Customer. The Customer shall be entitled to submit its counterclaim on set-off of the Bank only with a written consent of the Bank.
- 17.2. The Bank shall be entitled to fully or partially hand over its rights of claim towards the Customer to third persons. The Customer shall be entitled to transfer its rights of claim towards the Bank to third persons only with a written consent of the Bank.
- 17.3. After conclusion of the respective Agreement, the Bank shall be entitled to ensure its rights of claim towards the Customer by exercising its lien rights to any Customer's property which has been legally handed over for the possession, holding or use of the Bank as far as it is necessary for ensuring of the Customer's liabilities towards the Bank.
- 17.4. Lien rights shall also apply to income from the subject of lien.
- 17.5. Lien rights shall secure all claims of the Bank towards the Customer arising from legal relationships between the Bank and the Customer even in the event the claim is conditional, limited in time or the respective moment for its execution has not yet come.

18. Termination of Contractual Relations

- 18.1. The Customer shall be entitled to unilaterally terminate business relations in general, i.e., all Agreements or a certain Agreement entered into by and between the Parties, by submitting a written application to the Bank, if all the Customer's liabilities arising from the respective Agreements are discharged and they do not stipulate other termination procedure.
- 18.2. The Bank shall be entitled to unilaterally terminate business relations in general, i.e. all Agreements or a certain Agreement entered into by and between the Parties by sending to the Customer a corresponding notification not later than 60 (sixty) calendar days prior the day of termination of business relations or the respective Agreement, unless the respective Agreements or binding normative acts prescribe other termination procedure.
- 18.3. The Bank shall be entitled to unilaterally and without a prior written notice to the Customer, and without following the pre-defined prior notification time limits, and without indemnifying the Customer for any losses, terminate business relations in general and/or a certain Agreement with the Customer in the following cases:
 - 18.3.1. If the Customer failed to fulfil the Bank's substantiated request to provide or increase the collateral for the Customer's liabilities within the term or procedure determined by the Bank;
 - 18.3.2. In the event there are suspicions that a person who is not identified or properly authorized is acting on behalf of the Customer;
 - 18.3.3. In any other cases provided for in the Terms and Conditions, including the ones specified in Paragraph 4.3.7;
 - 18.3.4. In any other cases provided for in Agreements entered into by and between the Parties.
- 18.4. Upon adopting a decision to terminate business relations with the Customer, the Bank shall be entitled to terminate business relations with other Customers sharing the same Real Beneficial Owners.
- 18.5. Upon terminating business relations in general and/or a certain Agreement, the Bank shall be entitled to transfer the funds available in the Account, which was opened within the framework of the respective Banking Service, to a Current Account and/or Basic Account without an additional acceptance from the Customer.

19. Actions in Case of Customer's/Real Beneficial Owner's Death

- 19.1. Upon receipt of information on the death of a Customer - individual, the Bank shall block all Accounts.
- 19.2. Upon receipt of information on the death of a Real Beneficial Owner, the Bank shall have the right to block Accounts until information on a new Real Beneficial Owner is received.

20. Inheritance

- 20.1. If rights of inheritance of the heir of the Customer/Real Beneficial Owner have been approved, he/she must submit/present to the Bank documents confirming his/her rights to the inheritance left by the Customer/Real Beneficial Owner and personal identification documents:
 - 20.1.1. In the event there are several heirs of the Customer/Real Beneficial Owner, documents confirming division of the inheritance shall be submitted to the Bank;
 - 20.1.2. In the event the heir has inherited the Customer's liabilities at the Bank, the Bank shall conclude new agreements of the corresponding type with the heir, the provisions of which are identical to the provisions of the Customer's Agreements;
 - 20.1.3. In the event the heir decides to terminate the Agreements with the Bank concluded by the Customer, before termination of these Agreements the heir is obliged to settle all the debts and fulfil all liabilities of the Customer.

21. Confidentiality and Processing of Personal Data

- 21.1. Any information on the Customer, the Banking Services and Banking Operations provided to the Customer, as well as information provided to the Bank by the Customer shall be considered confidential. The Bank respects confidentiality in relation to all the information the secrecy of which the Bank is obliged to ensure in accordance with the binding normative acts. The Bank shall provide information on the Customer and information related to them in compliance with the Terms and Conditions and the binding normative acts.
 - 21.1.1. The Bank processes Personal Data in compliance with the normative acts of the Republic of Latvia and the European Union within the purposes of Personal Data processing established by the Bank, according to the procedure stipulated by the Guidelines for Processing of Personal Data of Individuals and Service agreements concluded between the Bank and the Customer. The Bank processes Personal Data only upon the existence of legal basis.
 - 21.1.2. The Bank shall have the right to request and to obtain the Customer's, the Customer's representative's and the Customer's Real Beneficial Owner's Personal Data from third persons, as well as from the state authorities and municipalities, and from personal data processing systems according to the procedure specified by the normative acts.
- 21.2. Personal Data of the Customers – individuals and legal entities that is available to the Bank, including in relation to the Real Beneficial Owners, may be disclosed to third persons who provide services to the Bank, who represent the interests of the Bank or who the Bank cooperates with in order to ensure the provision of financial services mentioned in these Terms and Conditions, as well as to competent authorities of the Republic of Latvia, the European Union and other countries thus enabling them to perform their functions as concerns Anti-Money Laundering and Counter-Terrorism and Proliferation Financing, and to public and non-governmental institutions, if necessary pursuant to the Law on Agreement between the Government of the United States of America and the Government of the Republic of Latvia to Improve International Tax Compliance and to Implement the Foreign Account Tax Compliance Act (FATCA), the Law on Convention on Mutual Administrative Assistance in Tax Matters (OECD Common Reporting Standard) or other binding normative acts.
- 21.3. The Bank shall be entitled to disclose information on the Customer, the contents of the Agreement and the information obtained according to the Agreement, including Personal Data to the state authorities and other institutions (including personal data processing systems) in cases stipulated by the normative acts, to cessionaries, if the Bank transfers its claims to third persons, to auditors, consultants and persons that provide legal aid to the Bank (including in relation to debt recovery). Likewise, the Bank shall have the right to disclose the referred to information for the purpose of protecting its rights in the situations when administrative or criminal proceedings are or might be initiated against the Bank by state institutions and other competent institutions.
- 21.4. Personal Data may be transferred to the countries located outside the European Union and the European Economic Area, and the normative acts of which may not ensure the same level of individuals' personal data protection as in the Republic of Latvia.
- 21.5. Customer's refusal of Personal Data processing may give occasion to refusal of the Bank of services provision, execution of Banking Operations, Payments and/or transactions, unless prior to the respective Bank's Service, Banking Operation, Payment and/or transaction the Bank has

provided the possibility to the Customer (Data Subject) to express its specific, intentional, unequivocally and freely provided consent to processing of Personal Data in certain amount and in accordance with the purposes specified by the Bank.

- 21.6. User code, password and Digipass with confirmation codes shall be confidential information, which both the Customer and the Bank undertakes to withhold and to avoid the possibility that it is available to any third persons. If confidential information has become available or could have become available to any third persons, the Customer shall warn the Bank immediately using the Internet Banking or by telephone using telephone identification password, and the Bank shall block the user's rights as soon as possible; these rights may be renewed when the Customer is given new identification codes or when a written request is received from the Customer to cancel blocking of the user's rights.

22. Liabilities of the Parties. Liability Excluding and Limiting Conditions

- 22.1. The Bank shall be obliged to fulfil the orders of the Customer with due diligence and to protect the interests of the Customer as far as it is possible for the Bank and as far as the Bank is obliged to do it. The Bank shall be responsible only for direct losses of the Customer that arouse due to gross negligence of the Bank. In any case, the Bank shall not be responsible for any indirect losses (e.g. loss of profit, etc.).
- 22.2. The Bank will compensate losses to the Customer by refunding the amount of unauthorized payment (i.e., incorrectly or erroneously executed payment, or a payment, to the execution of which no consent was given in accordance with the terms and conditions of the Agreement signed between the Parties) or renewing the Account Statement from which the amount was debited, in case the Customer immediately informed the Bank as soon as it found out about unauthorized or erroneously made Payment Order, but not later than within 60 (sixty) calendar days after the money was deducted from the Account has informed the Bank thereof. Where a Customer is a Consumer, and it has no possibility to observe the aforementioned term due to objective reasons, the Bank shall compensate losses if the Payment was executed in the currency of the European Union Member State or the European Economic Area country to other service provider located in the European Union Member State or the European Economic Area country, and the Customer informed the Bank not later than within 13 (thirteen) months after the money was deducted from the Account.
- 22.3. The Bank shall not compensate the Customer for losses of up to 50 (fifty) euros, incurred by the latter due to unauthorized payments as a result of loss, theft or other illegal alienation of the Payment Instrument; this provision shall not apply if the Customer was unable to detect the loss, theft or illegal alienation of the Payment Instrument prior to the Payment, except the case when the Customer itself has acted illegally; likewise, this provision shall not apply, if the Payment Instrument was stolen or otherwise illegally alienated from the Customer and the Customer is a Consumer.
- 22.4. The Bank shall not compensate losses incurred by the Customer due to unauthorized payments in the following cases:
- 22.4.1. the Customer has committed fraudulent activities;
- 22.4.2. the Customer has failed, either intentionally or due to gross negligence, to fulfil the terms and conditions of the Agreement signed between the Parties with regard to the safe use and storage of the Payment Instrument;
- 22.4.3. in other cases, in accordance with normative acts.
- 22.5. The Bank shall compensate the Customer for losses incurred by the latter while using the Payment Initiation Service, pursuant to the procedures laid down in Paragraphs 22.2-22.4.
- 22.6. The Parties shall not be held liable for full or partial non-fulfilment of the liabilities provided that such non-fulfilment has occurred due to circumstances beyond their will and control (*force majeure*), including, but not limited to terrorism, military operations, civil riots, strikes, natural disasters and nature elements, bills issued by the state institutions.
- 22.7. When using means of communication, the Bank shall not be held liable for losses incurred due to disorders in the use of post, facsimile, electronic or other means of communication, as well as of technical equipment, which ensure the provision and fulfilment of the respective financial services.

- 22.8. The Bank shall not be held liable for delays in transfers, loss of Payment Orders, transmission errors or disorders incurred due to lack of communication equipment or its shortcomings, which are beyond the will and control of the Bank.
- 22.9. The Bank shall not be held liable for the actions of third persons involved in the execution of the Transfer, including, but not limited to the correspondent banks.
- 22.10. The Bank shall not be held liable for the services provided by any third persons with the intermediation of the Bank.
- 22.11. The Bank shall not be held liable for the losses occurred due to the risks related to the fluctuations of the exchange rate, changes in the price of securities or devaluation of the Financial Assets placed at the Bank.
- 22.12. The Bank shall not be liable for the Customer's losses incurred due to the Bank exercising the rights stipulated in the Terms and Conditions, Agreements concluded with the Customer or the normative acts, or due to the Bank fulfilling its obligations.

23. Handling of Customer's Complaints, Objections and Claims

- 23.1. The Customer shall be entitled to submit to the Bank any questions, recommendations and claims in person in written form or via Internet Banking. The claims shall be reviewed within 15 (fifteen) days from the day of receipt thereof, unless the normative acts stipulate shorter term of review. The result of the review shall be provided in a written form and at the Customer's choice in person or by using Remote Connection Devices. The Bank shall be entitled to extend the term of review of such questions, recommendations and claims by 15 (fifteen) days previously notifying the Customer thereof, using the means of communication chosen by the Customer.
- 23.2. The Customer shall be obliged to follow the registration of his/her Banking Operations in his/her Accounts and to check whether it complies with the actually made Banking Operations at least once a month.
- 23.3. The Customer shall be entitled to submit written complaints on the Banking operation registered in the Accounts not later than within 60 (sixty) calendar days from the moment of making of the respective Banking Operation unless the binding normative acts, Terms and Conditions or Agreements concluded between the Parties prescribe other term. Complaints submitted later are not considered. In the event Bank did not receive complaints within the time limits shall be deemed to be implied consent.
- 23.4. The Customer's complaints regarding cash payments from the Account, including the amount of money which has been paid out, authenticity or quality of banknotes and other transactions, are reviewed only if they are expressed during the respective transaction is made and in the presence of the employee of the Bank who processes the transaction. Any complaints submitted later are not revised. In the event no objections are raised within the stated term, it shall be considered a silent consent.
- 23.5. The Customer shall be obliged to immediately inform the Bank about the fact that the Customer has not received any transfers, shipments or necessary confirmation that the application, Payment order, etc. has been processed. The Bank does not accept objections regarding cash payments which are confirmed by a signature of the Customer or its representative on the Payment Order.
- 23.6. The Customer shall be entitled to submit written complaints to the Ombudsman of the Finance Latvia Association located at 8A Doma laukums, Riga, LV-1050, Internet home page financelatvia.eu/ombuds/.
- 23.7. The Customer-Consumer has the right to submit his claim to the Customer Rights Protection Centre at 55 Brivibas Street, Riga, LV-1010, or on the Internet home page at www.ptac.gov.lv. The procedure for submission, handling of claims and appellation is established according to the Customer Protection Law and Law on Payment Services and Electronic Money.
- 23.8. The Customer who is not a Consumer shall be entitled submit his claim to the Supervisory Authority according to the Law on Payment Services and Electronic Money.
- 23.9. Regardless of whether the Customer submitted a claim to the ombudsman of the Finance Latvia Association earlier, he shall be entitled to submit a claim to a court of the Republic of Latvia.

24. Disputes

- 24.1. All disagreements that might arise between the Parties in the process of preparation or execution of these Terms and Conditions and the Agreements, shall be settled by way of negotiation. If no agreement is reached, the dispute shall be settled at a court of the Republic of Latvia according to the location of the Bank, unless the Agreements entered into by and between the Parties laid down a different dispute settlement procedure.

25. Other Provisions

- 25.1. The premises of the Bank shall be considered the place of fulfilment of mutual transactions between the Bank and the Customer in Riga, 2 J.Alunana Street.
- 25.2. The Bank shall be liable for activities of its employees during the Bank's working hours to the extent that they are performing their work duties.
- 25.3. The Bank shall be entitled to refuse to provide services to the Customer if the Customer is under intoxication of alcohol, drugs or toxic substances and in other cases when the Customer is unaware of its actions, as well as in cases when the Customer's behaviour is improper and disturbs the work of the Bank.
- 25.4. Legal relations between the Bank and the Customer shall be subject to the normative acts of the Republic of Latvia and the international normative acts binding for the Bank.
- 25.5. In case of disputes, disagreements or claims on linguistic issues or interpretation, the governing document shall be these Terms and Conditions, other effective regulations of the Bank, the Latvian text of the respective terms and conditions of Banking Services and Banking Operations. In the event the Terms and Conditions or other documents of the Bank, including the Agreements and terms and conditions of the respective services, are available in different languages, the governing text shall be the Latvian text, while the texts in other languages shall be considered only a translation of the Latvian text.
- 25.6. The Bank has the right to make amendments to these Terms and Conditions, the Price List, as well as to terms of separate services provided by the Bank, informing the Customer at least two months prior to the date when such amendments take effect, unless other period is determined in separate service Agreements concluded between the Bank and the Customer, in terms and conditions of services or in normative acts. The Customer shall be informed of such amendments on the Bank's homepage, as well as electronically via Internet Banking. If the Customer does not agree with the amendments, it has the right at any time before the date when respective amendments take effect and without incurring any penalties to terminate the use of the respective service of the Bank, notifying the Bank to that effect and fulfilling its obligations resulting from the service. If the Customer does not submit a notification to the Bank before the date when the amendments take effect, it will mean that the Customer fully agrees with the amendments.
- 25.7. Each paragraph of the Terms and Conditions shall be interpreted as separately effective, however, in the event any paragraph of the Terms and Conditions or a part thereof becomes illegal or loses its force due to amendments to the normative acts of the Republic of Latvia and/or the binding normative acts, the respective paragraph or its part shall be invalid only within the scope of the above mentioned prohibition and it shall not influence the binding validity of other paragraphs of the Terms and Conditions.
- 25.8. Headings in the Terms and Conditions are included solely for purposes of clearness and convenience; they shall not be used for interpretation of the text or meaning of the Terms and Conditions.
- 25.9. The present Terms and Conditions shall be binding and apply not only to the Customer.

26. When Starting to Use any of the Bank's Services, the Customer Confirms that:

- 26.1. The Customer has full legal capacity necessary for receiving of the Banking Services and for performing of the Banking Operations;
- 26.2. The Customer has all the rights, permits, licenses and authorizations necessary for receiving of the Banking services and performing of the Banking Operations;
- 26.3. Receiving of the Banking services and performance of the Banking Operations and all its consequences shall be binding to the Customer and shall not violate the normative acts of the Republic of Latvia, the European Union and normative acts of the transaction execution place;

- 26.4. The Customer is not a Shell Bank;
- 26.5. The Customer is the owner of the Financial Assets held in its Accounts and otherwise held at the Bank, unless the Customer has submitted to the Bank written data on the opposite;
- 26.6. All information provided by the Customer to the Bank, including information on its Real Beneficial Owner, personal or economic activities, financial condition, place of residence and other information is complete, true and is not deceptive. All documents and notices which the Customer submits (hands over for storage) to the Bank are true and valid;
- 26.7. The Customer has not directly or indirectly influenced the Bank's employees and has not directly or indirectly offered, promised or provided any things, rights or advantages to the Bank's employees in order to make them act or abstain from action thus violating their duties;
- 26.8. The Customer does not perform terrorism or proliferation financing, laundering of proceeds from criminal activity and the Customer's Financial Assets held in the Bank have not been acquired illegally and are not of legal origin;
- 26.9. The Customer will not use the Banking Services provided by the Bank for any illegal purposes, including for Money Laundering and Terrorism and Proliferation Financing;
- 26.10. The Customer is informed and fully aware of the obligations stipulated in these Terms and Conditions, in the Price List and other documents of the Bank, which regulate the relationships between the Bank and Customer about which the Bank has informed the Customer or with which the Customer has to become acquainted.
- 26.11. Within the term stated by the Bank, the Customer without any objections shall submit (hand over for storage) the information (documents) required by the Bank on identification, origin of resources, the Real Beneficial Owner, transactions made, business activities, personal activities, financial condition, changes in the submitted information (documents), as well as any other information (documents) which the Bank considers necessary in accordance with the requirements of the normative acts of the Republic of Latvia, the European Union and other requirements of binding international normative acts and agreements.
- 26.12. The Customer is informed about the procedure according to which the Bank processes Personal Data, including that video surveillance might take place in the Bank's premises when the Customer is present there, as well as the Customer has read the Bank's Guidelines for Processing of Personal Data of Individuals.
- 26.13. The Customer has considered and discussed with the Bank each paragraph of the Terms and Conditions separately, understands them and undertakes to observe them.