

**JSC „Latvijas pasta banka”
General Terms of Service**

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Terminology:

Approval – Written or oral confirmation of the Parties to conclude a transaction, which includes all the counterparts of the legal transaction indicated in the Agreement.

Voice password – Confidential series of numbers and/or letters chosen and composed by the Client, which consists of at least four symbols, which is used to identify the Client when the Client is communicating with the Bank via telephone. Voice password is identical for all services provided by the Bank in accordance with the Terms, unless stipulated otherwise in the Agreement.

ATM - a computerized device of the bank, intended for deposition and/or issuance of cash.

Bank – JSC “Latvijas Pasta Banka” registered in the Republic of Latvia with unified registration number: 50103189561, legal address: Brivibas Street 54, Riga, LV-1011, e-mail: info@lpb.lv, home page – www.lpb.lv, BIC/SWIFT: LAPBLV2X, a license for operating as credit institution has been issued to the Bank, and its activity is supervised by the Financial and Capital Market Commission of the Republic of Latvia, address: Kungu street 1, Riga, LV-1050.

Bank’s operations – operations with funds (money transfers, currency exchange, investments in the fixed deposits, purchase of financial instruments) and other transactions, which are provided by the Bank as directed by the Client or in the interest of the Client, in accordance with the rules of the Agreement and the Applicable Law.

Bank’s system – Bank’s electronic accounting system, which includes information initially provided by the Client to the Bank and additional information (new, renewed and similar), which has been provided in accordance with provisions of the Agreement.

Bank’s Tariffs – is a list of fees which are approved by the Bank and which are valid on the day when the Bank’s operation is completed and is available at Service centers and the Bank’s home page – www.lpb.lv. Bank’s Tariffs are an integral part of the Agreement.

Cashback service – pay-out of cash for a Payment card user at sales location, which is performed simultaneously when the Payment card user is providing a payment with Payment card for a good and/or service. The maximum amount of cash that can be paid out in one Cashback service is indicated in the Bank’s Tariffs and it is not dependent on the value of the purchased good or service.

CIF number – number granted to the Client by the Bank, intended for records keeping of Clients and Client identification in the Bank’s system. Each Client has one unique CIF number, regardless of the number of opened Accounts and is granted during the first Account opening process.

CVC2 and CVV2 code - security code, which is printed on the backside of the Payment card and for Virtual payment cards upon activating of the Payment card are sent to the Client via Internet bank, and are used for purchases online with Payment cards.

Business day – a day in which the Bank or other payment institution is open for operations.

Transaction – deal made by the Client with the Bank or third persons, which creates an obligation to the Bank to perform a Bank’s operation. Bank is obligated to perform the Bank’s operation, if the Client has complied with provisions of the Agreement.

Day of concluding the Transaction/Day when Transaction enters into force – date, when the Parties have agreed on provisions of the Transaction in accordance with Agreement.

Guarantor – person, who concludes with the Bank guarantee agreement to serve as collateral for fulfillment of the Client’s obligations towards the Bank.

IBAN – (International Bank Account Number) – international bank account number, granted to the Client and which complies with international ISO standard 13616-1:200. Detailed information on IBAN is available on the webpage of Bank of Latvia www.bank.lv.

Identification tool – Code card or electronic Identification device (DigiPass), issued by the Bank to the Internet bank user on the basis of a request from the Client, and which is used for identification of the Internet bank user.

Domestic payment – Payment, which is executed by involvement of an intermediary bank based in Latvia by the initiative of the Paying party, with the purpose to transfer the sum of funds indicated in the Payment Order to the Receiving parties' Receiving bank, also located in Latvia. Paying party and Receiving party may be the same person.

Informative SMS – service of the Bank, by which the Client is being informed via the Client's phone number on Bank's operations carried out in the Account, receiving information to such extent, as indicated in the Application.

Internet Bank – System maintained by the Bank, which provides the Client with remote access to the Client's Accounts in the Bank, the possibility to remotely execute Bank's operations, as well as provides mutual means of communications between the Bank and the Client.

Internet Bank user – the Client (natural person) himself or a natural person, who has the rights to use Internet Bank and provide Transactions in the name of the Client (natural or legal person) in accordance with the Agreement and the power of attorney of the Bank.

Payment card - A MasterCard Worldwide or other Payment card issued and serviced by the Bank, and which is linked to the Account.

Payment card user – Client (natural person) himself or natural person, to whom in accordance with the Agreement the Bank has issued Payment card and to whom the Client (natural or legal person) has granted the rights to use the Payment card.

Client – natural or legal person to whom the Bank provides services.

Account – any account of the Client opened in the Bank.

Bank statement – document prepared on paper or electronically (information on the status of the Account and performed operations submitted to the Client by the Bank).

Credit limit – funds belonging to the Bank, which are granted to the Client as a loan with no term, intended for performing Bank's operations and Transactions, for the use of which the Client pays to the Bank interest set in the Bank's Tariffs.

Funds – funds in the Account.

Agreement – An Agreement, with or without a term, concluded between the Client and the Bank, which includes Terms, Bank's Tariffs, Special Agreement, as well as any annex or counterpart of the Special Agreement. The term Agreement shall also mean any Order of the Client to the Bank, which is not related to any specific Special Agreement concluded in writing.

LR – Republic of Latvia

Accepting of a Payment Order – Procedure of the Bank, in accordance with which the Bank undertakes a duty to execute a Payment Order, if the following conditions are met:

- 1) The Bank has received all information necessary for execution of the Payment Order, and
- 2) The Bank has received Funds in the amount necessary for executing the Payment Order and the Client has paid commission fees due to the Bank.

Date of accepting the Payment Order – Business day of the Bank, in which the Bank accepts the Payment Order, accordingly transferring to the Account or withholding from the Account the sum of Funds indicated in the Payment Order.

Payment Order – unconditional order from Paying party to the Paying party's bank to execute a Payment in accordance with the information indicated in the Payment Order.

Payment – series of activities initiated in the Paying party's bank (credit transfer), which is initiated by the Paying party, which involves one or several banks, with the purpose to transfer the Funds indicated in the Payment Order to the Receiving party in the Receiving bank.

Paying party's bank – the bank servicing the Paying party and which has received the Paying party's Payment Order.

Paying party – natural or legal person, who orders the Paying party's bank to execute the Payment in accordance with the provisions mentioned in the Payment Order.

Payment card account – Current account in the Bank opened in the Bank on the Client's name, to which a Payment card(-s) and/or Additional card are linked.

Settlement period – time period equal to one calendar month.

Amount – the amount indicated in the Special Agreement and in the indicated currency, which the Client deposits with the Bank on the terms set in the Agreement.

Annual interest rate – interest for deposition of the Amount, which is calculated in accordance with the interest rate (annual) set in the Special conditions of the Agreement.

End date of the Term deposit – the term (date) indicated in the Special Agreement until which the Client deposits the Amount.

Starting date of the Term deposit – starting date of the Term deposit indicated in the Special Agreement.

Current account – Account opened in the Bank on the basis of the Application, intended for performing the Bank's operations with Funds (the term also includes Payment card account).

Terms – these General terms of service, which are binding to the Parties.

Account for transfer of the equity capital – an Account opened in the Bank for the Client on the basis of an Application, intended for transfer of the Client's initial equity capital for the purpose to fulfill requirements of company registration in the Commercial register of LR.

Service center – place where the Bank provides, but the Client received services, including Bank's services provided via internet and phone.

Additional card – Payment card, which is used by the user of Additional card and which is linked to the Payment card account.

Signature and seal specimen card – Bank's approved document, which contains signatures of Client's – legal person's authorized representatives, and at the Client's choice, a sample of seal of the Client, or sample of signature of Client – natural person or its representative.

Consumer – natural person, who expresses his will to purchase, purchases or could purchase or use a good or service for a purpose, which is not related to his professional or business activity.

Applicable Law – effective legislation of the Republic of Latvia, as well as regulations of the National Bank of Latvia and regulations of the Financial and Capital Market Commission applicable to the Bank and the Client.

Acceptance deadline – an end period displayed in the Bank's Tariffs, by which the Bank's requested necessary conditions must be met, in order to accept a Payment Order, so it could be considered as accepted on the respective Business day of the Bank.

Application – Client's expressed will to start using new Bank's services, waive them or create amendments in them, formed in accordance with the Terms. Applications submitted via Internet bank have the same power as those submitted in writing. The Bank reserves the right to request an Application submitted via Internet banking to also be submitted in writing, without providing a reason.

PIN code - personal identification number, which is intended for identification of the Client in Internet bank and during execution of Transactions via Bank's ATM and POS terminals. PIN code replaces the Client's or the Payment card user's signature, while executing Transactions via Internet bank or with Payment card. The PIN code of Payment card is issued to the Client in a special sealed envelope. The Client or the Internet bank user grants PIN code of the Identification tool. Only the Internet bank user of Payment card user knows PIN code.

POS terminal – equipment, which accepts Payment cards at the place of sale and provides confirmation of Transactions and settlement with Payment cards, as well as Cashback services.

Parties – the Client and the Bank within the sense of these Terms.

Order – Client's order to the Bank to perform or cancel a Banking operation.

Receiving bank – Institution indicated in the Payment Order, who as a result of execution of a Payment must transfer the sum of funds into the Receiving party's account or deliver to the Receiving party by other means.

Receiving party – natural or legal person indicated as Receiving party in the Payment order, and who as a result of execution of the Payment must receive the amount of Funds indicated in the Payment order.

Safe - an individual safe in the Bank's Safe room at Brivibas street 54, Riga, Latvia.

Special agreement – an agreement that is signed between the Bank and the Client, before any individual Bank's service is provided which stipulates special conditions for the respective Bank's service. In separate cases the Application can serve as Special agreement.

Intermediary Bank – an institution, including a correspondent bank, involved in the execution of Payment, but is neither the Paying party's bank, nor the Receiving party's bank.

International card organizations – international Payment card organizations VISA Europe, MasterCard Worldwide and others, each or any of them.

International payment – Payment, which based on the initiative of the Paying party is performed via an intermediary bank, which is located in one country, with the purpose to transfer the sum of Funds indicated in the Payment order to the Receiving party in Receiving party's bank, which is located in another country. Paying party and Receiving party can be the same person.

Complaint – Expressed dissatisfaction of the Client (claim) regarding failure to fulfill rules set in the Applicable law and/or Transaction documents (Agreements) concluded with the Bank on provision of certain Bank's services, insufficient quality, non-availability of the services, or customer servicing culture.

SWIFT – (Society for Worldwide Interbank Financial Telecommunication) is the interbank electronic communication system, where each bank has its own unique international code. The code of JSC "Latvijas pasta banka" is LAPBLV2X.

Phone banking – Bank's service, which provides the Client an option to communicate with the Bank via phone to give to the Bank Orders set in the Terms, for performing Bank's operations

Term deposit account – an account, which is opened for deposition of a term deposit in accordance with term deposit agreement concluded between the Client and the Bank.

Unique identifier – combination of letters, numbers or symbols granted by the Bank to the Payer and which the Payer indicates to clearly identify the other user of Payment service (Receiving party) involved in the execution of Payment or its account.

Value date – date, in which the funds transferred to the Client's Account becomes actually available and usable or date, in which in accordance with the submitted Order, the transfer amount is withheld from the Bank's Correspondent account.

Currency – state's monetary unit.

Currency exchange – exchange of one currency for another.

SRS – State revenue service.

Virtual payment card – Payment card issued as data in accordance with the Agreement via Internet bank, issued and serviced by the Bank and which is linked to the Payment card account. Virtual payment card is intended for settlements only on sites where goods and services are provided, and which do not require the Payment card to be presented and its data read onsite (for example, on the internet or via phone).

General Part

1. Application of Rules

- 1.1. These Rules determine the mutual legal relations between the Client and the Bank regarding every service provided by the Bank, as far as they are not determined by the Special agreements. In the case of contradiction between the Terms and the Special agreement, the Special concluded between the Client and the Bank shall prevail.
- 1.2. Terms are an integral part of any Transaction concluded between the Parties under which the Client receives services from the Bank. The Terms are available to the Client at any Bank's Service Center and at the Bank's home page (www.lpb.lv).
- 1.3. The Client's signature on the document submitted to the Bank, in which he or she requests the Bank to provide financial services, confirms that the Client has read the Agreement, agrees to it and undertakes to comply with it.
- 1.4. The Client is obligated to follow all rules, which in respect of the Agreement and Applicable law are applicable to the service provided to the Client by the Bank.
- 1.5. If not stated differently in the Terms, then the singular form of the word or term are also applicable to its meaning in plural form and vice versa.
- 1.6. The chapter headings are intended for convenience only, not for interpretation of the Terms.
- 1.7. In case of contradictions or inconsistency between the Terms in Latvian and foreign language, the text in Latvian shall prevail.
- 1.8. References to any documents in the Terms also include all amendments thereto and any other changes, as well as novations of the document.
- 1.9. Receiving, processing and execution of Payments is performed in accordance with the Law on Payment services and Electronic money, and other normative acts of LR.
- 1.10. The Bank is providing Bank's services to natural or legal persons residents and non-residents of LR, in accordance with the procedure laid down in the legislation of the LR, the International Law binding to LR and the Bank's internal normative documents.
- 1.11. Terms are divided into parts, chapters, paragraphs and subparagraphs. Chapter titles are informative and are not governing the relationship between the Bank and the Client, they are rather intended to ease navigation in the Terms. Subparagraphs are applicable only together with paragraphs.
- 1.12. Terms and any other Special agreement shall be drafted in Latvian language, unless the Bank and the Client have agreed to use a different language. A mutually understandable language shall be used for communication between the Bank and the Client.
- 1.13. The Financial and Capital Market Commission supervises the operation of the Bank.

2. Amendments of the Terms, the Agreement, and changes in the Bank's Tariffs

- 2.1. The Bank has the right to unilaterally change the Bank's Tariffs or to modify the Terms without providing prior notice to the Client, in the following cases:
 - 2.1.1. If amendments of the Terms or changes in the Bank's Tariffs are made in favor of the Client (for example, commission fees reduced, the time for implementing the obligations of the Bank has been shortened, etc.);
 - 2.1.2. If amendments of the Terms or changes in the Bank's Tariffs are necessary in connection with requirements and within the time limits set by the Applicable Law;
 - 2.1.3. If the Bank begins to offer a new service that was not available on the day when the Agreement was concluded;
 - 2.1.4. If the Client is not a natural person and the amendments are not connected with providing payment services.
- 2.2. In other cases not mentioned in clause 2.1 of the Terms, amendments of the Terms or changes in the Bank's Tariffs are allowed under a written agreement of the Parties, or:

- 2.2.1. At least two months before the amendments of the Terms or changes in the Bank's Tariffs enter into force, the Bank shall publically (via Bank's home page, Internet bank, at Service Centers) inform its Clients on the expected amendments and changes, as well as the date on which they will enter into force, unless the Applicable Law states a shorter term of implementation of the amendments and changes or the Bank's Tariffs are being lowered. The Bank may inform Clients individually, if the Bank considers it necessary.
 - 2.2.1.1. The changes in Bank's Tariffs and amendments to the Terms shall be considered agreed upon, if within 10 (ten) days prior to changes in the Bank's Tariffs and/or amendments of the Terms, the Bank has not received the Client's notice stating disagreement with the Bank's proposed amendments of the Terms and/or changes in the Bank's Tariffs.
 - 2.2.1.2. Partial approval of amendments and changes are not permitted and constitutes a disagreement with all the Bank's proposed amendments to the Terms and changes in the Bank's Tariffs.
- 2.3. After becoming effective, the amendments of the Terms and/or changes in the Bank's Tariffs mentioned in clause 2.2., shall be added to the Agreement as its integral part.
- 2.4. If the Bank receives the Client's statement in which he or she disagrees with the changes in the Bank's Tariffs or amendments of the Terms, it is considered that the Client has proposed termination of the Agreement. In such case, the Parties shall follow the part of Terms, which regulates termination of the Agreement, if the Parties do not agree on further contractual arrangements.
- 2.5. In case of any amendments of the Terms or changes in the Bank's Tariffs, the Bank shall publish the relevant information at the Bank's home page www.lpb.lv, as well as all Service Centers, within the term set in the Terms.
- 2.6. The Client is obliged to follow the information on amendments of the Terms and changes in the Bank's Tariffs.
- 2.7. The Client can change provisions of the Agreement by submitting a relevant application and concluding a written agreement with the Bank. The Client's application on amendments to the Agreement must be submitted to the Bank together with the Application. If the Bank accepts amendments to the Agreement offered by the Client, these amendments are included in the Special Agreement as special Conditions.

3. Exchange of information and the Client's obligation to provide information

- 3.1. The Client is obligated to immediately provide to the Bank all requested information, explanations and/or documents:
 - 3.1.1. on the business activity of the Client or its business partners;
 - 3.1.2. on Transactions, which are executing using the Current account in the Bank;
 - 3.1.3. on the purposes of Bank's operations requested from the Bank or the origin of funds, which have been obtained as a result of the Bank's operations;
 - 3.1.4. on compliance of the Bank's operations in regards to the business activity of the Client or the Client's business partners;
 - 3.1.5. on any other information necessary for the Bank to duly fulfill requirements regarding prevention of money laundering and terrorism financing.
- 3.2. If the Client requests the Bank to perform a Bank's operation on behalf of and/or assigned by a third party from the Client's Current account, the Bank has the right to request any information about the Bank's operation or the third party, in who's interest Client has requested the Bank to perform the Bank's operation.

- 3.3. The Client must inform the Bank on any changes in the information provided by the Client to the Bank, no later than within 5 (five) Business days after the changes have become effective.
- 3.4. After the request for information from the Bank has been received, within 5 (five) Business days the Client is obliged to submit documents and additional information on the Client/Payment card user, so the Bank could inspect and confirm the rights of natural and legal persons, their personal and business activities as well as about the legality of funds in their Current Account and the legality of Transactions performed by Payment card.
- 3.5. The Client is responsible towards the Bank on the accuracy, precision and completeness of all information and documents, as well as following the submission terms and validity of the performed operations. The Client shall reimburse the Bank for all its losses resulted from the Client providing false, falsified or incomplete information, or delaying provision of such information.
- 3.6. The Bank has the right to request submission of original documents or copies certified by a notary public, with translation certified by a notary public into Latvian, Russian or English language, as well as legalized or certified with "Apostille" certification in accordance with the Applicable law.
- 3.7. In case the Client does not submit all requested documents and/or information within the term indicated by the Bank, the Bank has the right to refrain from performing Bank's operations and execution of Payment orders, including Payment orders to debit the account.
- 3.8. All requests, notifications and warning, which the Bank has sent to the Client via Internet bank, shall have the same legal force as written documents signed by the Bank's authorized signatory.
- 3.9. If it is not stated differently in the Agreement, the Parties shall send each other information, in following order:
 - 3.9.1. the Client by his/her choice sends the written information to the Bank's legal address as registered letter, submits in person receiving a signature confirming receipt at any Service Center, or sends via Internet bank (if the Parties have concluded an Agreement on use of Internet bank);
 - 3.9.2. the Bank by its choice sends information to the Client's address indicated in the Agreement, or in other document submitted to the bank on change of address, submits to the addressee receiving a signature confirming receipt, or sends via Internet bank (if the Parties have concluded an Agreement on use of Internet bank).
- 3.10. To avoid doubts, any delivery shall be considered received:
 - 3.10.1. if sent via Internet bank – on the next day, counting from the day when the information has been sent to the receiving party via Internet bank;
 - 3.10.2. if submitted in person – on the actual day of receipt;
 - 3.10.3. if sent by mail - on the 5th (fifth) day from the moment when the delivery was submitted to the post office, if there is no evidence of earlier receipt.

4. Confidentiality

- 4.1. The Bank guarantees to keep secret Client's accounts, persons, deposits and business data in accordance with the Applicable Law.
- 4.2. The Bank has the right to provide the Client's data to:
 - 4.1.1. persons with whom the Bank has concluded an agreement on providing services, which are necessary to perform Bank's operations;
 - 4.1.2. persons to whom the Bank transfers or considers transferring the Bank's claim rights against the Client, which arise from the Agreement signed by the Bank and the Client;

- 4.1.3. other third persons, if the Client has not properly fulfilled his obligations towards the Bank;
- 4.1.4. third persons to provide service or fulfill the Bank's obligations;
- 4.1.5. persons, who have the rights to request information in accordance with the normative acts of the LR;
- 4.1.6. persons, to whom the Bank is obligated to provide information as prescribed in the normative acts of the LR.
- 4.2. Information about the Client and his/her Transactions might be provided to competent authorities of member states of the European Union, European Economic Area, the Organization for Economic Co-operation and Development and its member countries, as well as to competent authorities of other countries to fulfill functions stated in normative acts binding to these countries, as well as correspondent banks and investment management companies, in order to execute the Orders or Bank's operations, or fulfil obligations stated in the Applicable Law.
- 4.3. The Client - user of the Payment card or the Internet Bank user, must take individual precautions, so that an identification device, Voice password, the PIN code of the Payment card or the Internet Banking password is secured from the third parties.
- 4.4. The Client is also responsible for those Transactions, which are performed after Client's notice to the Bank on loss or theft of Payment card or Identification device, if the Transaction has been confirmed with the PIN code of the Payment card, Internet bank password, Identification device or Voice password.

5. General terms of the Bank's Tariffs and their settlement procedure

- 5.1. Any services provided by the Bank to the Client are chargeable, if not specifically stated otherwise.
- 5.2. The Client is obligated to pay to the Bank remuneration (commission) for services provided by the Bank in the amount stated in the Bank's Tariffs and in accordance with the Terms, except when the amount of commissions and order of paying commissions are stipulated in the Special agreement, as well as to pay for all legitimate and provable expenses that the Bank has occurred while servicing the Client.
- 5.3. The Client pays to the Bank the commission fees for Payments and other Bank's services related to Payments, in accordance with the Bank's Tariffs or an agreement concluded between the Parties, taking in consideration information on commission fees indicated in the Client's Payment Order.
- 5.4. Based on the actual costs of the Payment, in addition to the fees indicated in the Bank's Tariffs, upon the request of the Bank the Client is obligated to pay commission fees of other banks involved in execution of the Payment.
- 5.5. The Bank's exchange rates and credit interest rates are not included in the Bank's Tariffs and are set at the moment of providing the respective Bank's service.
- 5.6. If it is necessary to perform currency exchange for execution of a Payment order, the currency buying/selling rates, which are valid on the Value date shall be applied. The currency buying/selling rates are available at Service Centers and the Bank's home page – www.lpb.lv.
- 5.7. The Bank has the rights to set an adequate and fair remuneration for services which were not included in the Bank's Tariffs, but which were necessary to fulfil the Client's Orders or Transactions.
- 5.8. If the Parties have agreed on the remuneration before the respective service was provided, the Client is not entitled to dispute the amount of the remuneration.
- 5.9. If the Client has not paid commission owed to the Bank, the Bank has the right not to provide or to stop providing the Client separate or all services, without notifying the Client

- and not reimbursing its losses. The Bank has the right to request payment of the commissions set in the Bank's Tariffs before providing the respective Bank's service.
- 5.10. The Client irrevocably authorizes the Bank to withdraw commissions and amounts of Bank's expenses owed to the Bank from the Account and, in case it is necessary, to perform currency exchange according to the Bank's set currency exchange rate on the day the exchange takes place.
 - 5.11. The Bank, without receiving a prior approval, withdraws from the Account funds for:
 - 5.11.1. Transactions, which have been performed using Payment card linked to the Payment card account, and for which a payment from other banks and organizations, using International card organizations or payment card transaction processing centers have been requested;
 - 5.11.2. the fee for Bank's services is in accordance with the Bank's Tariffs;
 - 5.11.3. the fee for services of third person which are not included in the Bank's Tariffs but are used by the Client and which are linked to Transactions performed by the Payment card user;
 - 5.11.4. any kind of debts which the Client are owing to the Bank and which are due, as well as the Bank's losses, which have occurred due to the Client or Payment card user not following the obligations of the Agreement and commitments of these Terms;
 - 5.11.5. if due to the Bank's technical failure funds have been transferred to the Account.
 - 5.12. Regarding all commission fees and expenditure amounts of the Bank a respective pay-out (debiting) record shall be recorded in the respective Client's Account.
 - 5.13. If any of services provided by the Bank or commission fees are taxed, subject to tariffs or similar payments, the Client irrevocably authorizes the Bank to withdraw the respective funds from the Account.
 - 5.14. The Bank shall not return the received commission fees, unless the contrary is set forth in the Agreement. The Bank shall return the received commission fees if the Bank has not provided the respective service to the Client due to the fault of the Bank.
 - 5.15. Invoices issued by the Bank to the Client are prepared electronically and are valid without a signature.

6. Authorization to manage the Account and receive other Bank's services

- 6.1. The following persons shall be entitled to manage the Account and the Funds stored in it, request and receive information about its status and Transactions performed with the Account by the Bank, as well as receive other services of the Bank:
 - 6.1.1. If the Client is a private person - the Client himself or another person duly authorized by and on behalf of the Client, who is included in the Signature and seal specimen card and is acting in accordance with a power of attorney issued by the Client in the form of a notarial act or a power of attorney form approved by the Bank and signed, and submitted by the Client in the presence of an employee of the Bank;
 - 6.1.2. If the Client is a legal person - the Client's authorized representative (a private person), who is included in the Signature and seal specimen card and is acting based on a document confirming the right of representation, a power of attorney issued by the Client in the form of a notarial act or a power of attorney template approved by the Bank and signed and submitted by the Client in the presence of an employee of the Bank;
 - 6.1.3. Users of the Internet Bank to the extent provided in the clause 29 of the Terms.

- 6.2. The Bank has the right to consider and relate the signatures on the Signature and seal specimen card or on the Application, to all Client's accounts opened in the Bank and their activities operation, if the Parties have not agreed on a different order.
- 6.3. The Client's authorization is considered to be in force only in the cases below:
 - 6.3.1. until the expiry date of the power of attorney;
 - 6.3.2. until the moment the Bank receives a revocation of the Client's power of attorney from the Client, which is written on the Bank's approved form.
- 6.4. The term of a power of attorney of a Client – legal person, cannot exceed the term of the Client's representative, which is registered in the national registers.
- 6.5. The Bank is not obliged to accept a document confirming rights of representation, if the rights in such document have not been formulated clearly and without doubt, or, if the Bank has any doubts about the validity or authenticity of the document.
- 6.6. If a Client, who is a legal person, wishes to issue a power of attorney for managing the Account and/or receiving other Bank's services to a person, who is an employee of the Client and whose rights of representation have not been registered in the corresponding state registers, and the Client does not want to issue a power of attorney in the form of a notarial act, then the person having the rights of representation on behalf of the Corporate Client must fill the power of attorney form approved by the Bank in the presence of an employee of the Bank.
- 6.7. The Parties agree to consider the documents confirming the Client's powers of representation as valid, applicable and relatable to all legal relations between the Client and the Bank (if not stated otherwise in the documents confirming powers of representation) until the moment, when the Bank has received a written revocation of such document.
 - 6.7.1. The Bank is not obligated to verify the validity Client's representatives powers also in cases, when Applicable law provides a procedure for special registration of powers.
- 6.8. The Bank has the right not to execute the Client's or its representative's Order or not to provide information on the Account status or performed Bank's operations, if the signature or seal does not correspond to the sample in the Signature and seal specimen card, or the Client's representatives term of representations has passed.
- 6.9. For purposes of comparison and validation, the may Bank may use samples of the Client's or Client's authorized person's respective signature and seal, which are scanned on the Bank's system or copied.
- 6.10. After the expiration date of the powers of the authorized persons, the Client's new authorized person, or in case of any changes in the Signature and seal specimen card, all the persons that are to represent the Client and are to be included in the Signature and seal specimen card must submit to the Bank documents which confirm their rights to representation and all together must sign the Signature sample Card which will be the only legally binding Signature and seal specimen card for the Bank and the Client.
- 6.11. If the Client issues a power of attorney formed in accordance with sub-clause 6.1 of the Terms, the authorized Client's representative fills the effective amendments of the Signature and seal specimen card and the Client's existing representatives do not have to repeatedly fill the Signature and seal specimen card.

7. Client identification

- 7.1. To identify a natural person for the first time, the Bank requests a person's passport or identity card for identification, but for future cooperation a driving license issued in the LR is also acceptable.
 - 7.1.1. Client is obligated to inform the Bank on expiration or change of the Client's or the Client's representative's identity document, as well as to provide a valid identity document to the Bank.

- 7.2. Before executing the Client's or the Client's representative's Order or providing the requested information on the Account status or the performed Bank's operations, the Bank performs the following activities:
 - 7.2.1. if the Client is a natural person – the Bank visually compares the Client's signature on the Signature Specimen Card with the signature on the Order/information request and identifies the Client or Client's representative by verifying the personal identification document;
 - 7.2.2. if the Client is a legal person – the Bank visually compares the Client's representative's signature on the Order/information request, with the signature on the Signature and seal specimen card or the Application and identifies the Client's representative by verifying the personal identification document;
 - 7.2.2.1. if, the Signature and seal specimen card or the Application also has a sample of the Client's seal, the Bank visually compares the seal on the Order/information request with the seal sample in the Signature and seal specimen card or the Application.
 - 7.2.2.2. the Bank has no obligation to take into account the color of the seal.
- 7.3. The Bank has the rights to request confirmation for execution of an Order, which has not been submitted to the Bank personally by the Client or its representative, and the Bank has any doubts regarding validity of the submitted document.
 - 7.3.1. The Bank has the rights not to execute the requested Order until the Client's identity has been confirmed.
- 7.4. Upon the request of the Client the Bank provides to the Client use of voice password.
 - 7.4.1. When the bank receiving the call mentioned in clause 7.4, the Bank identifies this natural person, by the Voice password mentioned in the Application for receiving the Bank's services or other Bank's forms. The Bank has the right to request any other information to identify the Client beyond any doubt;
 - 7.4.2. it is the Client's and Payment card user's or Internet bank user's obligation to keep the Voice password in secret and not to disclose it to third persons;
 - 7.4.3. if the voice password has become known to third persons or if the Client suspects that it has become known to third parties, the persons mentioned in clause 7.4, are obligated to immediately inform the Bank on such occurrence.
- 7.5. In case of inheritance, the inheritor presents to the Bank an identity document, as well as documents confirming his inheritance rights for the Client's inheritance, which by form complies with the Applicable law. If the Bank has any doubts regarding the authenticity and validity of the documents, the Bank has the right to make the document verification at the expense of the inheritor.

8. Responsibility and obligations of the Parties

- 8.1. The Bank's obligations:
 - 8.1.1. To provide the Client with services in accordance with the Agreement and the Applicable Law.
- 8.2. The Bank's rights:
 - 8.2.1. to provide the Client with requests, messages or warnings via Internet Bank or mail;
 - 8.2.2. to record all communication between the Bank and the Client. This record might be used as a proof for dispute resolution between the Parties;
 - 8.2.3. to request information mentioned in clause 3 of the Agreement;
 - 8.2.4. to process data (gathering, storing, registering, submission, assigning, transferring and other) of the Client and its representatives while the Agreement is in force, and after its termination, as well as within the order provided by in the Applicable law to request and receive the mentioned data and other information (for example, on

Client's representative, user of Payment card, Identification device or Internet banking user, in order to verify the Client's, its representative's, Payment card, Identification device of Internet banking user's provided information or to supplement information in the Bank's files) from third persons and process it. The Bank have the rights to provide the Client's personal data to third persons, if it is necessary in the view of the Bank for provision of services or debt recovery from the Client;

- 8.2.5. to change the currency exchange rates at any time and to provide their availability at the Service Centers as well as at the Bank's home page - www.lpb.lv;
 - 8.2.6. the Bank has the right to withhold from the Client's Account any fees which are due to the Bank and which have not been paid, or if the Client and the Bank can not come to an agreement on prolonging the repayment term or other means of financial settlement;
 - 8.2.7. to use other rights mentioned in the Agreement.
- 8.3. The Bank's liability:
- 8.3.1. the Bank is responsible for timely execution of Payment Orders in accordance with the Applicable law and these Terms of the Bank;
 - 8.3.2. in accordance with clause 3.7 of the Terms, the Bank is not responsible for losses occurred to the Client due to late execution or no execution of the Order;
 - 8.3.3. the Bank is not responsible for delay in executing an Order, transfer loss or transmission errors or defects, which have occurred due to errors of communication operators, time zone differences, exchange rate fluctuations or any other circumstances against the Bank's will and out of the Bank's control;
 - 8.3.4. the Bank is not responsible for losses occurred to the Client due to failure to execute or late execution of a Payment by an Intermediary Bank chosen by the Client or other Intermediary Bank not chosen by the Bank;
 - 8.3.5. the Client is responsible for losses, which have occurred to the Client due to actions of third persons, except in the events mentioned in the Applicable Law, as well as in the event if the Bank has made a negligent mistake while identifying the person by verifying his identity document;
 - 8.3.6. the Bank is not responsible for consequences when third persons have used the Client's Payment card or Internet Banking identification device, Voice password, Payment card PIN code or the Internet bank password;
 - 8.3.7. the Bank is not responsible for mistakes, payment delays, inadequacy and other defects, which has occurred due to false or incomplete information provision by the Client or the Internet Banking user – while submitting Payment orders or performing other Bank's operations;
 - 8.3.8. for actions of Bank employees the Bank is responsible as far as the employees have acted within the Bank's business hours (including business hours of the Service Centers), while carrying out their employment duties and following instructions of the Bank's management;
 - 8.3.9. the Bank is not responsible for losses, which have occurred due to actions of the Client, Client's representatives or any other third persons, as far as it is not stated differently in the Applicable law.
- 8.4. The Client's obligations:
- 8.4.1. to obey the provisions of any Agreement concluded with the Bank and to ensure that the Agreement is executed, as well as to confirm the provisions as binding himself/herself;

- 8.4.2. to provide true information in the Agreement and its annexes;
- 8.4.3. not to use the Bank's services for any illegal purposes;
- 8.4.4. not to perform activities connected with money laundering or terrorism financing;
- 8.4.5. to take all possible security measures to prevent possible losses and prevent unauthorized use of the Account, Payment cards, Internet bank and the identification tools, Voice password, PIN code or any other passwords;
- 8.4.6. to keep secret any access codes and not to keep them together with information about the respective Bank's product and not to write them down;
- 8.4.7. to provide the Account with sufficient amount of funds in order to pay for received services, interest, contractual penalties and monthly payments;
- 8.4.8. to inform his/her representatives, users of Payment cards, Identification tools and Internet bank users on their rights and obligations towards the Bank, to introduce them with the Agreement and its amendments thereof;
- 8.4.9. at least once per month to check the Account balance and compare the actually made Transactions with the Transactions reflected on the regular Account statement, to settle any liabilities towards the Bank which have occurred during a settlement period until the end of the next settlement period, if the Parties have not agreed on different period, in the amount and order set in the Bank's Tariffs;
- 8.4.10. the Client is liable for legality of all his performed actions (including inaction), all performed Transactions and losses, which has resulted to the Bank due to the aforementioned;
- 8.4.11. to compensate Bank's losses, which have occurred due to the fault of Client or Payment card user, or both, while providing of any of the Bank's services;
- 8.4.12. if the Agreement includes collateral, the Client ensures fulfillment of obligations arising from this Agreement, coverage of agreed interest, Contractual penalty, as well as all other possible Bank's losses, which may occur to the Bank if the Client violates the provisions of this Agreement;
- 8.4.13. immediately to inform the Bank in writing on all changes in information, which the Client has submitted to the Bank;
- 8.4.14. immediately to inform the Bank on any unauthorized performed Bank's operation as well as on any Bank's mistake or inaccuracy while executing the Client's orders;
- 8.4.15. to follow any information which is provided by the Bank to the Client;
- 8.4.16. to return the Identification tools or Payment cards on the request of the Bank in order to replace them for new ones;
- 8.4.17. if the Payment card or Identification tool has been lost or stolen, as well as if any password, PIN code issued by the Bank, or by which the Bank identifies the Client or Payment card user, or Identification tool user, has become known to third person, the Client or Payment card, or Identification tool user immediately has to inform the Bank on such matter providing his/her name, surname, personal code and Voice password, by calling to the phone number (+371) 67772999 or informing the Bank in person by visiting any Bank's Service Center. The access of the respective Payment card or Identification device shall be immediately blocked after performing activities mentioned in this sub-clause;
- 8.4.18. within 10 (ten) calendar days, after the Bank has received telephone call mentioned in clause 8.4.17 – the Client or user of Payment card, or Identification device, is obligated to appear in person at any Bank's Service Center or send relevant information via Internet bank, in order to perform change or closure of Payment card

- or blocking of the Identification tool. For changing or closing the Payment card, as well as blocking of the Identification tool, the Client must submit an Application;
- 8.4.18.1. if the Client or user of Payment card, or Identification tool, does not appear at the Bank in person within 10 (ten) calendar days from the moment of blocking of the Payment card or Identification device via telephone and does not submit to the Bank an application, the Bank closes the Payment card or disconnects the Identification tool from Internet bank. However, these actions does not constitute termination of the Agreement;
- 8.4.19. if necessary, the Client, the user of Payment card and Identification tool undertakes to provide all necessary information to the Bank or the Bank's representative necessary for determining the circumstances of how the Payment card or Identification tool was lost;
- 8.4.20. to observe the rules of Client information disclosure, mentioned in clause 3 of these Terms;
- 8.4.21. to fulfil other obligations of the Agreement;
- 8.4.22. if the Client, pursuant to Section 14 of the Law "On Taxes and Duties", is obliged to register as a taxpayer in the Republic of Latvia, the Client undertakes to perform all activities required for registration individually.
- 8.5. The Client's rights:
- 8.5.1. to receive services from the Bank in accordance with the Agreement and the Applicable Law;
- 8.5.2. to receive binding information on the status of the Account;
- 8.5.3. to receive information mentioned in the Agreement or the Applicable law within the terms set in the Agreement or the Applicable law;
- 8.5.4. to use other rights stipulated in the Agreement.
- 8.6. The Client's responsibility:
- 8.6.1. the Client in accordance with the Agreement and the Applicable Law is responsible for losses occurred to the Bank due to the Client's misleading action towards the Bank or due to the Client's negligence;
- 8.6.2. the Client is responsible for losses occurred to the Bank due to the Client's fraudulent activities or due to the Client's misleading action towards the Bank, or due to Client's negligence;
- 8.6.3. the Client or it's representative shall reimburse the damages caused to the Bank if at the moment of performing the Bank's operation the Client or it's representative, has no/or limited legal capacity;
- 8.6.4. the Client is fully responsible for Bank's operations performed by the users of Payment card and Internet bank;
- 8.6.5. the Client is obligated to keep in secret from third persons information about the Identification tools and other identification data;
- 8.6.6. while dealing with the Bank the Client (a natural person) is the beneficiary unless the Bank has been informed about a different beneficiary.
- 8.7. The Parties are not responsible for not fulfilling their obligations in full or partially, if the Parties could not foresee, nor prevent by reasonable means the reasons why such non-fulfillment have occurred.

9. Procedure of reviewing disputes, Claims, Complaints and their withdrawals

9.2. *(Excluded)*.

- 9.3. *(Excluded)*.
- 9.2.1. *(Excluded)*;
- 9.2.2. *(Excluded)*.
- 9.3. *(Excluded)*.
- 9.4. *(Excluded)*.
- 9.5. *(Excluded)*.
- 9.6. Parties agree that any dispute, difference or claim arising out of or in connection with the Terms or the Agreement concerning its violation, termination or validity, shall be finally settled:
- 9.6.1. if the Client is a natural person or if in accordance with the Applicable Law, the dispute cannot be referred to an arbitration court, the dispute shall be settled in a state court with the jurisdiction relating to the Bank's legal address;
- 9.6.2. under other circumstances not mentioned in clause 9.6.1, the dispute shall be settled by the plaintiff's choice – in the Baltic International Arbitration Court (Riga, Gertrudes street 7, LV-1010, Arbitration court registration no. 40003759437), in the Court of Arbitration of the Association of Commercial Banks (Riga, Perses street 9/11, LV-1011, registration no. 40003746396), in accordance with the regulations of the respective arbitration court - and in the presence of one judge (arbitrator) in Latvian language, on the basis of evidence submitted (in written form) or in a Court of the LR related to the Bank's legal address.
- 9.7. The Client may transfer (assign) his/her claim rights against the Bank to third parties only after receiving the Bank's prior written agreement.
- 9.8. A Complaint can be filed with the Bank in Latvian, English or Russian languages.
- 9.9. A Complaint must specify the following details:
- 9.9.1. information about the person filing the Complaint:
- 9.9.1.1. a natural person – name, surname, personal identity number or the CIF number of the Client, residence address and contact information;
- 9.9.1.2. a legal person – name, registration number or the CIF number of the Client, registered address and contact information;
- 9.9.2. date when the Complaint have been submitted;
- 9.9.3. the subject, essence, circumstances of the Complaint, which confirm the Complaint, its claim and legitimacy;
- 9.9.4. a Complaint in paper form is signed by the Client;
- 9.9.5. the Client shall attach to the Complaint copies of those documents (payment orders, Account statement and other), which it refers to in the Complaint and which confirms and justifies the Complaint.
- 9.10. The Bank accepts Complaints only from the Client.
- 9.11. The Client may file a Complaint in writing only:
- 9.11.1. by arriving at the Bank in person and submitting the Complaint;
- 9.11.2. via mail, by mailing the Complaint to the Bank's legal address: Brīvības iela 54, Riga, LV-1011;
- 9.11.3. from the e-mail address of the Client specified in the system of the Bank by sending an e-mail to the e-mail address of the Bank: info@lpb.lv;
- 9.11.4. by using correspondence via the Bank's Internet Bank.
- 9.12. The Bank reviews and provides responses to all received Complaints regardless of the source where it was received (clause 9.11), except those Complaints, in which the submitter of the Complaint is not indicated (cannot be identified). The Complaint shall be considered submitted with its actual receipt time in the Bank.

- 9.13. The Client may submit revocation of Complaint. On submission and review of revocation of a Complaint, the same provisions as those for submission and review of Complaints shall apply.
- 9.14. The Complaint is reviewed and the answer of the Bank is provided to the Client in written form in Latvian, Russian or English (depending on the language in which the Complaint was filed).
- 9.15. The Bank shall review the Complaints free of charge if not specified otherwise in the Bank's Tariffs or the Agreement.
- 9.16. If during the review of the Complaint, any deficiencies are established or the Complaint is incomplete, as well as missing essential information, required for the Bank to be able to provide a reasonable response, the Bank shall stop reviewing such Complaint and inform the Client on such occurrence (via the same means as providing a response to the Complaint), and provide a term for the Client to prevent such deficiencies. If the Client has not prevented the indicated deficiencies within the term provided by the Bank, the Bank shall stop reviewing the Complaint and inform the Client on such occurrence (via the same means as providing a response to the Complaint).
- 9.17. The Bank shall provide a written response to the Complaint within the following terms:
 - 9.17.1. If the Client is a natural person, no later than within 15 (fifteen) business days after receipt of the Complaint;
 - 9.17.2. If the Client is a legal person, no later than within 30 (thirty) calendar days after receipt of the Complaint.
- 9.18. If it is not possible to comply with the term specified in clauses 9.17.1 and 9.17.2 due to objective reasons, the Bank is entitled to prolong such term by notifying the person filing the Complaint about it in writing (via the same means as providing a response to the Complaint).
- 9.19. The Bank shall provide responses to the Client in the following manner:
 - 9.19.1. if the Client is using Internet Bank, the Bank shall send the response to the Client via Internet Bank;
 - 9.19.2. if the Client is not using Internet Bank, the Bank shall send the response in a letter by mail to the Client to the address that is specified in the system of Bank as the correspondence address of the Client. The Bank reserves the right not to send the response to the address that is not specified in the system of Bank as the correspondence address of the Client, even if the Client has requested it in the Complaint;
 - 9.19.3. if the response to a Complaint to the Client has been provided via Internet Bank and the Client wishes to receive the response in paper form, the Bank ensures its drafting in paper form. The Bank sends the response in paper form by mail in compliance with the requirements specified in clause 9.19.2 or delivers it to the Bank's Client servicing department, which issues it to the Client in person.
- 9.20. If the response of the Bank to the Complaint of the Client provided in written form is not satisfactory for the Client or, if the Client deems it unreasonable or unfair, the Bank informs the Client about his/her following rights:
 - 9.20.1. the Client is entitled to file a claim in written form to the Association of Commercial Banks of Latvia Ombudsman at Doma laukums 8a, Riga, Latvia, which shall review the claim within its competence. The Client has the right to contact the Consumer Rights Protection Center, in order receive assistance in dispute resolution;
 - 9.20.2. if the Complaint is related to payment services and electronic money, the Client is entitled to file the Complaint with the Consumer rights protection center in the procedure set forth in Section 105 of the Law on Payment Services and Electronic

Money, if according to the Consumer Rights Protection Law the Client is considered to be a Consumer;

- 9.20.3. if the Complaint is related to payment services and electronic money, the Client is entitled to file with the Financial and capital market commission, in the procedure set forth in Section 105 of the Law on Payment Services and Electronic Money, if according to the Consumer Rights Protection Law the Client is not considered to be a Consumer;
- 9.20.4. the Clients that should be regarded as Consumers for the purposes of the Consumer Rights Protection Law are entitled to file complaints with the Consumer Rights Protection Centre about violations of the Financial Instrument Market Law (violations related to the provision of Investment Services) and violations of requirements of other legal acts of Consumer rights protection.
- 9.20.5. The Client has right to file with the Consumer rights protection center using out of court dispute resolution mechanisms, published in the webpage of Consumer rights protection center, for example, Consumer dispute resolution commission, if the respective dispute is subject to its competence. The Client has the rights to go to court.
- 9.21. The Regulations regarding the Association of Commercial Banks of Latvia Ombudsman and the Procedure for the Handling of Complaints of Credit Institution Customers by the Association of Commercial Banks of Latvia Ombudsman (Rules) are available on the website of the Association of Commercial Banks of Latvia www.bankasoc.lv/ombuds.
- 9.22. Clients may receive additional information about the procedure for filing Complaints by calling the Bank on +371 67772999 (on business days of the Bank from 9:00 to 18:00).
- 9.23. Withdrawals of Complaints are accepted and reviewed in the Bank in the same procedure as Complaints.
- 9.24. If the Client has revoked the Complaint in full, the Complaint shall be considered as revoked and the Bank shall stop reviewing the Complaint. If the Client has revoked the Complaint partially, the Complaint shall not be considered as revoked and the Bank shall review it in the part, in which it was not revoked.

10. General rules for termination of the Agreement

- 10.1. Both Parties have the rights to unilaterally terminate the Agreement, by sending to the other Party a written notification 30 (thirty) days in advance.
- 10.2. The Bank has the right to unilaterally terminate the Agreement, if the Client violates clause 8.4 of the Terms.
- 10.3. The Bank has the right to unilaterally terminate the Agreement by blocking any or all Client's Accounts, or to stop providing the Client with any Bank's services in the following cases:
 - 10.3.1. The Client has not provided the Bank with the requested information or documents, or has provided the Bank with incomplete/false information or falsified documents;
 - 10.3.2. The Bank has suspicion that the Client or the funds in his Current Account are related with money laundering or terrorism financing;
 - 10.3.3. If the Client cooperates or has any connection with a person, who is on the Bank's approved list of persons – with whom the Bank does not cooperate;
 - 10.3.4. If the Client have performed or tried to perform any fraudulent actions against the Bank, any of its Clients or have used the Bank's operations for such actions;
 - 10.3.5. If during the Agreement period the Bank finds out that the Client has provided the Bank with false information or, if the Bank suspects that the information which has been provided is false;

- 10.3.6. In cases mentioned in the Applicable Law;
- 10.3.7. If the Bank has acquired information about the fact of death of a Client (a natural person) or the liquidation of a Client (a legal person).
- 10.4. The Bank has the right to unilaterally terminate the Agreement without providing prior notice to the Client, if the Client's Account is blocked by the initiative of the Bank for more than 30 (thirty) days.
 - 10.4.1. The Agreement is considered as terminated only when the Client has fulfilled all obligations, which are established with the use of Account, and the Client has fully settled all the payments with the Bank.
- 10.5. The Bank closes the Client's Account by the Client's initiative and in accordance with the Client's written Application:
 - 10.5.1. After such Application is received the Bank immediately blocks the Client's account and all other Bank's products which are linked to the Account, as well as stops to calculate the interest rate of the Current account balance;
 - 10.5.2. The Bank cancels the activity of the Account to be closed within 45 (forty-five) Business days from the moment when the Application has been received, provided that the Client has fully fulfilled his/her obligations to the Bank connected with use of the Account, with the condition, that the Client does not have any other active Accounts in the Bank which are connected to the account and which, after closure of the Account, shall not be usable;
 - 10.5.3. The time for the account cancellation might be longer if required by the rules of International Card Organizations.
- 10.6. Upon the closing of the Account the Client is obliged to pay all commission fees for the provided Bank's operations as well as all fees for account servicing, maintenance and cancellation, if they are provided in the Bank's Tariffs.
- 10.7. Upon the closing of the Account, the Client is obliged within 30 (thirty) calendar days to submit to the Bank an application for receipt of funds from the Account in cash, or transfer to another Account.
 - 10.7.1. The Bank has the right to request the Client to receive funds from the closed Account only by transferring them into another account of the Client in a bank or credit institution, which is registered and provides financial services, including acceptance of deposits, in the European Economic Area country, or to an account in a financial or credit institution, from which the Client's funds were received;
 - 10.7.2. If within the mentioned term of 30 (thirty) days the remaining funds in Account are not transferred or withdrawn, the Bank has the right to charge the commission fee for holding the Funds in accordance with the Bank's Tariffs;
 - 10.7.3. The documents which were submitted by the Client to the Bank before opening of Current Account or during the period of Current Account use are not returned to the Client upon the closing of the account.
- 10.8. If the Client has financial instruments then upon the closing of the Account, they are transferred into another account or other bank in accordance with information provided in the Bank's Application.
- 10.9. If the closing Account is the only Client's Account in the Bank or if all Client's accounts are being closed (including financial instruments' account), the Agreement shall be considered terminated upon its closure.

11. Other provisions

- 11.1. All Client's financial resources and financial instruments (funds, securities and others), which are or will be held in the Client's Accounts shall serve as pledge and are pledged to

the Bank as financial pledge. The collateral applies to all Client's obligations towards the Bank, including commission fees for services provided by the Bank, the Bank's expenses, payouts, interests and losses – which could be paid to the Bank. In cases when the Client has not promptly provided required funds to execute payments in the Account as well as in all other cases when the Bank has a claim against the Client, the Bank has the right to satisfy such claim, by realizing the financial pledge. The Bank has the right without notifying the Client in advance, to write-off (transfer) billable sum from any Client's Account or Funds which otherwise belong to the Client, as well as the right to convert the funds on behalf of the Client, without the prior notice to the Client by the Bank's exchange rate on the respective day of currency exchange, as well as to realize the financial instruments by their market value.

- 11.2. By signing the Agreement, the Client agrees that, if the Bank reviews the Client's application for granting a loan, the Bank shall have the right to receive information from Credit register of the Bank of Latvia on the Client, as well as is obligated to inform Credit register of the Bank of Latvia on the Client's loan obligations and their fulfillment, when the Client is late in fulfilling his loan obligations, amendments or violations for more than for 5 (days) Business days.
- 11.3. The Bank has the right to unilaterally, without the prior notice to the Client, use any funds in any Client's Account in order to settle the Bank's claims against the Client, by withdrawing (debiting) the necessary amount of funds from any Client's Account in the Bank.
- 11.4. If one or more provisions of the Agreement become void or is/are in controversy with Applicable Law, such occurrence does not constitute the Agreement being void, if only the provision, which has become void, does not significantly change the meaning of the Agreement.
 - 11.4.1. The Parties shall attempt to replace the provision, which has become void with a provision, which is closest by its meaning to the initial provision.
- 11.5. The Parties shall be fully or partially exempted from their liabilities under this Agreement if their failure to perform any obligations has resulted from force majeure conditions, which have occurred after the conclusion of the Agreement and which could be neither foreseen nor prevented by the Parties. Such force majeure conditions shall be considered natural disasters, emergencies, calamities, epidemics and military operations, domestic violence, blockades, local or state government actions which affect the fulfilment of the Agreement and which the Parties could not have foreseen or prevented at the moment of concluding the Agreement.

Special conditions

12. Opening of the Current Account

- 12.1. Before opening every Current Account for the Client, the Client must fill the Application and submit to the Bank all its requested documents.
- 12.2. After the Bank receives the Application and all other necessary documents, the Bank's employee will provide the Client information on the Client's Accounts, which displays preliminary number of the Current Account (IBAN), which will be opened for the Client if the Agreement between the Parties will be concluded, as well as a copy of the Terms and the Bank's Tariffs.
- 12.3. The Application is considered as the Client's offer to conclude the Agreement, in accordance with the Terms and the Bank's Tariffs.
- 12.4. The Bank considers the Client's Application within 5 (five) business days after the Application and its attached documents has been received, and decides whether to Conclude the Agreement or not.
 - 12.4.1. The Agreement is considered to be concluded from the moment when the Bank opens and activates the Account, which is indicated in the information on the Client's Accounts;
 - 12.4.2. If within 30 (thirty) Business days the account mentioned above is not opened and activated, or the Bank has not requested additional documents for concluding the Agreement, it is considered that the Bank has refused the offer to conclude the Agreement with the Client and the Agreement is not concluded.
- 12.5. The Bank is not obliged to inform the Client on the reason of refusal to conclude the Agreement, nor to inform the Client that the Agreement offer has been accepted or refused.
- 12.6. After the Current Account has been opened, the Client's Application becomes an integral part of the Agreement.
- 12.7. If the Client has at least one Current Account in the Bank, for opening of another Current Account the Client has to submit to the Bank new Application, which is considered by the Bank as an offer to conclude the Agreement, in accordance with the effective Terms and Bank's Tariffs on the day when the Application in submitted. After the new Current Account is opened for the Client, Terms and Bank's Tariffs, which are effective on the day of submission of the Application, shall apply to all previously opened Client's Current accounts in the Bank, replacing previous versions of the Terms and Bank's Tariffs.
- 12.8. The Current Account is opened as a multi-currency account. The primary currency of the account is European Union united currency EUR, all other currencies of the Current account must be indicated in the Application. A separate sub-account shall be opened for every currency.
- 12.9. The Bank calculates interest from the Client's Current Account balance, only if it is provided for in the Bank's Tariffs, in accordance with the annual interest rate set in Bank's Tariffs, assuming that there are 360 days in a year. GPB and RUB currencies the actual number of days per year are applied (365 or 366). Payout of the calculated interest is performed on the last day of each calendar month.
- 12.10. The commission fee for the Current Account use is displayed at the Bank's Tariffs.

13. Procedure for execution of Payments

- 13.1. Terms regulate the legal relations between the Client and the Bank related to execution of Payments.
- 13.2. In addition to the Terms, all legal relations between the Bank and the Client which are connected with the Payment execution and which are not regulated by the Terms and other Agreements between the Bank and the Client, are regulated by the normative acts of

- Republic of Latvia, normative acts of the European Parliament and the Council, including Law on Payment services and Electronic money.
- 13.3. The Parties may agree on provisions different from these Terms. If any provision of the Agreement concluded between the Parties contradicts these Terms, the relevant provisions of the Agreement shall prevail.
 - 13.4. The Client is obliged to submit to the Bank all information and documents, which the Bank requests for identification purposes and for execution of a Payment, including business documents related to the Payment and documents confirming legal sources of the funds.
 - 13.5. *(Excluded)*.
 - 13.6. Payment order, which is submitted by the Client to the Bank is considered as the Client's approval for execution of the Payment indicated in the Payment order.
 - 13.7. *(Excluded)*.
 - 13.8. The communication conditions between the Bank and the Client are determined in the Terms, in the Agreement and in the Special agreements, which regulate the Client's Account opening and servicing arrangements, these arrangements are about:
 - 13.8.1. means of communication, including technical requirements on communication devices;
 - 13.8.2. in what way and how often information set in the Applicable law will be provided or made available;
 - 13.8.3. language of the Agreement and the language in which the Parties will communicate during the Agreement period.
 - 13.9. The Client has the right to receive information mentioned in Section 65 of the Law of Payment services and Electronic money in the order provided for in the Law on Payment services and Electronic money.
 - 13.10. Security measures between the Bank and the Client are determined in these Terms, in the Agreement and in the Special agreements, which regulate issuing and usage of the identification devices, they are:
 - 13.10.1. description of activities that must be performed by the Client for safekeeping of the Identification tool and information on how to inform the Bank that the Identification tool has been lost, stolen or otherwise illegally obtained, or its unauthorized use has taken place;
 - 13.10.2. information on situations when the Bank has the right to block the Identification tool;
 - 13.10.3. The information about the Client's responsibility for unauthorized Payments occurred due to loss, theft or other illegal use of the Identification tool because the Client did not take all security measures and because of that, the identification tool was used by third persons;
 - 13.10.4. Information on the procedure and the term in which the Client informs the Bank about unauthorized or wrong Payments;
 - 13.10.5. Information about the Bank's responsibility for unauthorized Payment.
 - 13.11. The Bank is responsible for execution of Payments in accordance with Article 99 of the Law on Payment Services.
 - 13.12. The conditions for refunds are stipulated in Sections 88, 89 of the Law on Payment services and Electronic money.
 - 13.13. The procedure of amending and terminating the Agreement and Special agreements regulating the Client's Account opening and servicing provisions are stipulated in the respective Agreement.
 - 13.14. The Current Account is debited by writing off funds for performing transactions for cash withdrawal, on the basis of the Client's or the Client's representative's Payment order for

transfer of funds or cash withdrawal, as well as other cases provided for in the Agreement and Applicable law.

13.15. The Current Account is debited on the basis of the Payment order.

13.16. The Bank begins execution of the Client's Payment order by Client's initiative with the purpose to transfer the amount of Funds displayed on the Payment order to the Receiving party, at the Receiving party's receiving Bank. If the Bank and the receiving bank does not have a mutual Correspondent Bank, the execution of the Client's Payment order is performed involving an Intermediary bank. After the Payment Order is accepted at the Bank, a Unique identifier is issued for the Payment Order.

13.17. The Client's Payment Order provided to the Bank must contain the following Information:

13.17.1. For Payment orders for execution of a **Domestic Payment**:

Date – the date on which the Payment order is submitted to the Bank.

Payer – the title of the Payer (legal person), the Payer's name and surname (natural person).

Payer's ID – Payer's registration number (if the Payer is a legal person) **personal ID code** of the Payer (if the Payer is a natural person, who has a personal ID code issued in Latvia), or **Payer's ID document number** (if the person is a non-resident, who does not have a person ID code issued in Latvia), or date and place of birth.

Payer's Account number – the Account number in IBAN format from which the funds, which are indicated on the Payment order will be withheld (except in cases, when the sum displayed on the Payment order is paid in cash).

Currency code – currency code of the Payment (according to ISO 4217 standard).

Sum – is the sum of funds which is displayed in numbers and, if requested on the Payment Order form, also in words.

Receiving party – the title of the Receiving party (legal person) or the Payee's name and surname (natural person).

Receiving party's ID – Receiving party's registration number (if the Receiving party is a legal person) personal ID code of the Receiving party (if the Receiving party is a natural person, who has a personal ID code issued in Latvia), or Receiving party's ID document number (if the person is a non-resident, who does not have a person ID code issued in Latvia), or date and place of birth.

Receiving party's account number – the Payee's account number in the Beneficiary Bank in IBAN format.

Beneficiary bank (title, SWIFT) – complete and precise name of the Beneficiary Bank must be provided (preferably without abbreviations) and SWIFT code. There is no need to provide the SWIFT code on the Payment order if the Payment is made from one account into another account. If the Payee is VAS "LATVIJAS PASTS" or the Treasury of the Republic of Latvia, then as the Beneficiary Bank on the Payment order must be indicated either VAS "LATVIJAS PASTS" or the Treasury of the Republic of Latvia (respectively). For EUR payments the Bank provides automatic information filling.

Payment details – information regarding the content of the Payment – product/service, for which the Payment is made, name and number of the respective document (Agreement, invoice etc.). Maximum amount of the information is 140 (one hundred and forty) written symbols. The part of the text, which exceeds 140 (one hundred and forty) written symbols shall not be sent. The indicated information shall be sent without any changes and shall not be translated, but if necessary, shall be transliterated from Cyrillic to latin letters.

External payment classification – external payment code, which described the Payment in accordance with classification of the Bank of Latvia and the non-resident country code. Indicating of the mentioned codes in a Payment Order is mandatory for Payments exceeding 10 000.00 EUR (ten thousand euros) or equivalent of this amount in a different currency in accordance with the relevant exchange rate set by the Bank of

Latvia at the day of executing the Payment, if the Payer is resident, but the Receiving party is non-resident or the other way around, as well as if there are any changes to resident's deposit in a bank - non-resident.

13.17.2. For **International Payments**:

Date – the date on which the Payment order is submitted to the Bank.

Payer – the title of the Payer (legal person), the Payer's name and surname (natural person).

Payer's ID – Payer's registration number (if the Payer is a legal person) personal ID code of the Payer (if the Payer is a natural person, who has a personal ID code issued in Latvia), or Payer's ID document number (if the person is a non-resident, who does not have a person ID code issued in Latvia), or date and place of birth.

Payer's Account number – the Account number in IBAN format from which the funds, which are indicated on the Payment order will be withheld (except in cases, when the sum displayed on the Payment order is paid in cash).

Currency code – currency code of the Payment (according to ISO 4217 standard).

Sum – is the sum of funds which is displayed in numbers and, if requested on the Payment order form, also in words.

Receiving party – the title of the Receiving party (legal person) or the Payee's name and surname (natural person).

Receiving party's ID – Receiving party's registration number (if the Receiving party is a legal person) personal ID code of the Receiving party (if the Receiving party is a natural person, who has a personal ID code issued in Latvia), or Receiving party's ID document number (if the person is a non-resident, who does not have a person ID code issued in Latvia), or date and place of birth.

If the Payment is made in RUB currency, it is mandatory to indicated tax payer's identification code (**ИНН** идентификационный номер налогоплательщика).

Receiving party's account number – the Payee's account number in the Beneficiary Bank must be provided in the IBAN format.

Beneficiary bank (name and SWIFT) – complete and precise name of the Beneficiary Bank must be provided (preferably without abbreviations), as well as bank code – BIC (SWIFT code), ABA or CHIPS (USA), or other code and known information about the banks correspondents. If the Payment is executed in RUB currency, it is mandatory to indicate the Beneficiary bank's or its correspondents ВИК (БИК) (9 letter code) and corresponding account in the Central Bank of Russia (20 digit account number), as well as full name of the Beneficiary bank and its place of business in Russian language. For EUR payments the Bank provides automatic information submission.

Payment details – information regarding the content of the Payment – product/service, for which the Payment is made, name and number of the respective document (Agreement, invoice etc.). Maximum amount of the information is 140 (one hundred and forty) written symbols. The part of the text, which is exceeds 140 (one hundred and forty) written symbols shall not be sent. For Payments outside Latvia, Latvian language may not be used. If the Payment is executed in RUB, all indicated details must be filled in Russian language with Cyrillic letters. Indicated information shall be sent without any changes and shall not be translated, but if necessary, shall be transliterated from Cyrillic to latin letters. If the Payment is made in RUB currency, also VO code (currency operation code, in accordance with instructions No.138-I of the Central Bank of Russia ((код валютной операции в соответствии с инструкцией Банка России № 138-И от 04.06.2012)) must be provided, amount of VAT or a note that the Transaction is not subject VAT.

External payment classification – external payment code, which described the Payment in accordance with classification of the Bank of Latvia and the non-resident country code. Indicating of the mentioned codes in a Payment Order is mandatory for Payments exceeding 10 000.00 EUR (ten thousand euros) or equivalent of this amount in a

different currency in accordance with the relevant exchange rate set by the Bank of Latvia at the day of executing the Payment, if the Payer is resident, but the Receiving party is non-resident or the other way around, as well as if there are any changes to resident's deposit in a bank - non-resident.

13.18. In addition to the information mentioned in sub-clause 13.17, in Payment order for International Payment or Payment order for Domestic Payment in foreign currency (except payments within the Bank), the following information must be provided:

13.18.1. **Information on commission fees** - who shall cover the Payer Bank's commission fees and commission fees of other banks (Intermediary Bank's and Beneficiary Bank's commission fees):

“SHA” – Only commission of AS Latvijas pasta banka is included in the Payment price. Other commission fees shall be covered by the Receiving party, potential extra commissions Intermediary banks may withhold from the sum of Funds indicated in the Payment Order.

According to the PSD (the Payment Services Directive), since November 1, 2009, the commission fee is no longer withheld, for Payments which are made within the countries of the **European Economic Area¹ (EEA)** in **EUR** and other **Member State currencies²** of the European Union – if the Receiving party's IBAN account and the SWIFT code is indicated in the Payment.

“OUR” - this type of commission means that the Payer covers the Bank's, the Beneficiary Bank's and the Intermediary Bank's commission fees. This Payment type orders to the Beneficiary Bank to pay to the Receiving party full sum of Funds indicated in the Payment Order. With this condition the Bank's liability is limited. Commission fees requested from the Beneficiary bank or other commission fees related to execution of this Payment Order the Bank shall have to right to withhold from the Client's account without receiving the Client's prior approval.

List of the European Economic Area (EEA) member countries¹: Iceland, Norway, Liechtenstein and 28 countries of the European Union: Austria, United Kingdom, Belgium, Bulgaria, the Czech Republic, Denmark, France, Greece, Hungary, Ireland, Italy, Cyprus, Croatia, Latvia, Great Britain, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Hungary, Germany, Sweden.

Member State currencies²: EUR, GBP, DKK, HRK, NOK, SEK, PLN, CZK, RON, BGN, HUF, CHF.

The “SHA” commission fee is applied for outgoing transactions within the countries of the European Economic Area (EEA) in EUR and other Member State currencies of the European Union. If the Client in the Payment Order indicates as a payment method “OUR”, the Bank or Correspondent Bank – has the right to change it to “SHA” payment method.

13.18.2. **Terms for execution of a payment** – is the time required for execution of a Payment order – there are 3 (three) terms for the Payment order execution:

13.18.2.1. **Urgent:**

13.18.2.1.1. Urgent (D) – for particular currencies specified in the Bank's Tariffs the Payment is executed on the same Business Day of the Bank, if the Payment Order has been accepted by the expiry of the Payment Acceptance deadline;

13.18.2.1.2. Urgent (D+1) – for Payments in other currencies the Payment is executed within one Business Day of the Bank after the expiry of the Payment Acceptance deadline, if the Payment Order has been accepted by the expiry of the Payment Acceptance deadline;

13.18.2.2. **Standard:**

13.18.2.2.1. Standard (D+1) – for particular currencies specified in the Bank's Tariffs the Payment is executed within one Business Day of the Bank after the expiry of

- the Payment Acceptance deadline, if the Payment Order has been accepted by the expiry of the Payment Acceptance deadline;
- 13.18.2.2.2. Standard (D+2) – for Payments in other currencies the Payment is executed within two Business Days of the Bank after the expiry of the Payment Acceptance deadline, if the Payment Order has been accepted by the expiry of the Payment Acceptance deadline;
- 13.18.2.3. **Express** – for currencies with respect to which such a degree of urgency is specified in the Bank’s Tariffs, the Payment is executed within one hour if the Payment Order has been accepted by the expiry of the Payment Acceptance deadline. The Bank is entitled not to execute the Payment Order after its acceptance by notifying the Client about it. The Client waives any claims against the Bank if the Bank has not executed the Payment Order after its acceptance. In the event the Payment Order is not executed the Bank returns the sum of Payment and the withheld commission to the Client.
- 13.18.3. If a Payment order has been received by the Bank after the servicing hours, the Payment order is considered as received on the next Business day.
- 13.18.4. If the Client who is submitting the Payment Order agrees with the Bank that the execution of the Payment order begins on a certain day or on a certain end of the term or on the day – when funds are received by the Bank, the day on which the Payment order has been received is considered as the on which the Parties have agreed. If the day on which the Payment Order has been received is not a Bank’s business day, the next Business day shall be considered as the day when the Payment Order has been received.
- 13.18.5. If the degree of Payment urgency is not indicated, it is considered that the Client has selected Standard degree of urgency. By indicating in the Payment Order any of the afore mentioned degrees of Payment urgency, the Client requests the Bank to execute the Payment Order with Value date, corresponding to the degree of urgency of the Payment indicated in the Payment Order. If in accordance with the degree of Payment urgency indicated in the Payment Order the Value date is Beneficiary bank’s or Intermediary bank’s holiday, the Bank has the right to execute the Payment Order with Value date, which is the next following respective bank’s Business day.
- 13.19. In the Payment order for executing an International Payment or Domestic Payment in a foreign currency, the Client may indicate also Intermediary bank – its precise and complete name (with no abbreviations), address (city, country), as well as additional information known to Payer about corresponding account and bank codes – SWIFT code, ABA or CHIPS (USA). If the Client has not indicated Intermediary bank in the Payment Order for the specific Payment, the Bank has the right to choose the most optimal payment route.
- 13.20. The Bank has the right to change or not to specify the Intermediary Bank indicated on the Payment order.
- 13.20.1. *(Excluded)*;
- 13.20.2. *(Excluded)*.
- 13.21. Payment order for a Domestic Payment in EUR can be filled in Latvian language or latin letters in other language acceptable by the Bank. The Bank is not obligated to translate Payment Orders. For Payments in RUB currency the Payment Order must be filled in Russian language in Cyrillic letters.
- 13.22. The Bank accepts only such Payment orders that are formed and submitted to the Bank in accordance with the Agreements concluded between the Client and the Bank, formed in accordance with the Applicable Law, the Terms and other Bank’s instructions and which clearly express the Client’s will. If a Payment Order does not correspond to the mentioned provisions or information mentioned in clauses 13.17, 13.18.1 and 13.21, or, if the

Payment Order is unclear, the Bank may deny the Payment Order or provide a reasonable term for correcting the Payment Order and postpone execution of the Payment Order until it has been corrected. If the Client within the provided term has not corrected the Payment Order or the Bank has not managed to obtain information necessary for execution of the Payment Order, the Bank has the rights to execute the Payment Order taking in consideration the best banking practices, or not to execute the Payment Order. If the Client in accordance with the Bank's instructions corrects and specifies the Payment Order and the Bank accepts it, the corrected Payment Order shall be considered as received at the Bank:

- 13.22.1. on the day when the Payment order is accepted by the Bank, if the Bank has accepted it before the end of the Bank's Business day's Acceptance time;
 - 13.22.2. on the next business day of the Bank if the Bank has accepted the Payment order after the working hours of the Bank.
- 13.23. Receiving the Client's Payment Order in paper form, the Bank puts a stamp on the Payment Order, which indicates the date when the respective Payment Order has been received. The date on which the Client's Payment order has been received does not constitute acceptance or beginning of execution of the respective Payment Order. The procedure of submitting and accepting of Payment Orders via communication devices is regulated by the Agreement concluded by the Parties.
- 13.24. If the Payment order has not been executed due to mistakes or deficiencies or due to fault the Intermediary bank chosen by the Client, the Bank is not responsible for failure in executing the Payment Order. In such event the Bank returns to the Client the amount of funds which is indicated on the Payment order only after the funds have been returned back to the Bank, in addition, the Bank is not obliged to refund the Client commission fees and/or other expenses which might have occurred, as well as the Bank is not obliged to pay to the Client any interest. The Bank has the right to withhold expenses related to regaining of the amount, up to such amount to which a clear sum of the expenses can be determined.
- 13.25. The Bank has the right to refuse execution of a Client's Payment Order, if the provisions of the Terms constituting the acceptance of Payment Order are not followed, as well as in other cases provided for in the Applicable law and the Terms. The Bank has the right not to execute the Payment Order, if the Client after the Bank's request have not submitted to the Bank documents mentioned in clause 13.4 or the submitted documents create suspicion that the Client may be involved in the process of money laundering or terrorism financing.
- 13.26. In case the conditions set by the Bank for execution of a Payment Order are satisfied after the end of the Acceptance deadline, the term for the Payment order execution is calculated starting from next Bank's Business day.
- 13.27. The Bank accepts from the Client and executes Payments on behalf of third parties only in cases when the Client has explained his or her relation with the respective third parties and provided all requested information to the Bank.
- 13.28. **Provisions for domestic payments in EUR currency:**
- 13.28.1. **Outgoing Payments**
 - 13.28.1.1. Payment Orders, which are accepted by the Bank before the end of Acceptance deadline, are usually executed by transferring Funds to the Beneficiary Bank's account within the same Business day of the Bank, but not later than the first Business day of the Bank, which follows that Business day of the Bank, on which the Payment Order was received. The Client pays to the Bank commission fees for Payments in accordance with the Bank's Tariffs.
 - 13.28.1.2. In case the account indicated on the Payment Order is closed or blocked for the outgoing Payments, the Bank has the right to reject the Payment order.

13.28.2. Incoming Payments

- 13.28.2.1. The Bank transfers to the Client's Accounts the sums Funds received and belonging to the Client, which are indicated in the Payment Order, on the basis of incoming Payment Orders, that are received from Payer's bank or Intermediary bank, after crediting of the corresponding accounts.
- 13.28.2.2. Payment Order, which is accepted by the Bank for incoming Payment, the Bank shall execute on the respective date when the Payment Order was accepted, by transferring the amount of received Funds to the indicated Client's (Beneficiary's) Account or, in accordance with the Agreement, to another Account.
- 13.28.2.3. The Bank is entitled, but does not have an obligation, to transfer the amount of Funds that are indicated in the Payment Order, to the Client's Account, based solely on the IBAN number of the Client's Account indicated in the Payment Order, or based on the match of the IBAN numbers of the Client's Account that is indicated on the Payment Order, with the name of the respective recipient.
- 13.28.2.4. In case if the given account on the Payment Order is closed or blocked for incoming Payments, or does not indicate the purpose of the Payment, the Bank has the Rights to reject the Payment order.

13.29. Provisions for international payments and domestic payments in foreign currency:

13.29.1. Outgoing Payments

- 13.29.1.1. The Bank as the Payer's bank transfers the sum of Funds indicated in the Payment Order to the Beneficiary bank's account with the Value date indicated in the Payment's degree of urgency indicated in the Payment Order. The Client pays Commissions to the Bank for Payments in accordance with the Bank Tariffs. The degrees of Payments urgencies and the Acceptance deadline are set in Bank's Tariffs.
- 13.29.1.2. In the event of the account indicated on the Payment Order is closed or blocked for outgoing Payments, the Bank has the right to reject Payment Order.

13.29.2. Incoming Payments

- 13.29.2.1. The Bank transfers the sums Funds received on the Client's Accounts and belonging to the Receiving party, on the basis of incoming Payment Orders, that are received from Payer's bank or Intermediary bank, after crediting of the corresponding accounts.
- 13.29.2.2. Bank's accepted Payment Order for incoming Payment, the Bank shall execute on the Value date indicated in the respective Payment Order.
- 13.29.2.3. If the Bank accepts the respective Payment Order for the incoming Payment after the end of the respective day's Acceptance deadline, the Payment order shall be executed on the next following Business day of the Bank.
- 13.29.2.4. The Bank is entitled, but does not have an obligation, to transfer the amount of Funds that are indicated in the Payment Order to the Client's Account, based solely on the IBAN number of the Client's Account indicated in the Payment Order, or based on the match of the IBAN numbers of the Client's Account that is indicated on the Payment Order, with the name of the respective recipient.
- 13.29.3. For the International payments in national currency, the same provisions as those for International payments in foreign currency are applied.
- 13.29.4. The Bank has the right not to transfer the Funds to the Client's account, if the information requested in regards to the Payment Order is insufficient.
- 13.29.5. In case the Account on the Payment Order is closed or blocked for incoming Payments, or does not indicate the purpose of the Payment, the Bank has the right to reject the Payment order.

13.30. Payments within the framework of the Bank

- 13.30.1. In case of Payments within the framework of the Bank, the Payment Order shall be executed on the date of acceptance of Payment Order by transferring the sum of

Funds indicated in the Payment order to the Beneficiary's account. The Client pays Commissions to the Bank for Payments in accordance with the Bank Tariffs.

13.30.2. In case the Account on the Payment Order is closed or blocked for incoming Payments, or does not indicate the purpose of the Payment, the Bank has the right to reject the Payment Order.

13.31. Payment into a non-activated Account

13.31.1. Simultaneously with filing the Application for opening the Account, the Client has the option to transfer cash funds via the Bank's cash desk to the Account specified in clause 12.2 of the Terms prior to its activating in the procedure set forth in clause 12.4 of the Terms.

13.31.2. Until the activation of the Account, the Client shall have no right to dispose of the Funds, including transferring the Funds to an account in another credit institution or withdraw them.

13.31.3. When transferring Funds to the Account, the Client is bound by all obligations and rights specified in the Terms, including the Bank's Tariffs.

13.31.4. If the Bank refuses to activate the Account pursuant to clause 12.4.2 of the Terms and if there is no reason for blocking the Account, the Client is obliged to withdraw the Funds in cash in full amount at the Bank's cash desk within the term specified in clause 10.7 of the Terms. Otherwise the Bank shall apply a fee mentioned in clause 10.7.2 of the Terms of storage of the Funds.

13.32. Payment Order for cash pay-out

13.32.1. The Client is entitled to provide a Payment Order to the Bank for paying cash from the Client's Account to a natural person specified in the Client's Payment Order for cash pay-out.

13.32.2. The Bank considers the natural person specified (authorized) in the Client's Payment Order for cash pay-out to whom the Client has granted the right to receive the cash, as an attorney of the Client and he/she shall be bound by the Sections of the Civil Law relating to authorization, especially Sections 2295, 2300, 2301, 2304 and 2309.

13.32.3. Upon providing the Payment Order for cash pay-out to the Bank the Client accepts all risks related to the execution of the Payment Order for cash pay-out, including the risks of forgery of identification documents of the authorized person of the Client, as well as the performance of mutually contradictory Payment Orders for cash payment.

13.32.4. In the case if the Bank has any doubts about the authenticity of the identity of the authorized person of the Client, the validity of the Payment Order for cash pay-out or validity of will expressed by the Client, the Bank is entitled but is under no obligation to not perform the Payment Order for the cash pay-out. The Client confirms that he/she shall not bring any claims against the Bank regarding any losses caused to the Client or any third party in relation to the performance or non-performance of the Payment Order for cash pay-out.

13.32.5. If the Bank has complied with the procedure for submission of the Payment Order for cash pay-out and the information specified in the Payment Order for cash pay-out, shall be considered that the Bank has complied with the will of the Client and has acted in accordance with the Payment Order for cash pay-out and the Agreement.

13.32.6. The Client may withdraw the Payment Order for cash pay-out only by appearing at the Bank in person or via Internet Banking. The Payment Order for cash pay-out should be withdrawn prior to the moment of its execution. The Bank is entitled not to accept the withdrawal of the Payment Order for cash pay-out if it has commenced performance of the Payment Order for cash pay-out.

- 13.32.7. The right granted by the Payment Order for cash pay-out are not transferrable to other persons and are in force until its execution or until the expiry of its term of validity.
- 13.32.8. Payment Orders for cash pay-out accepted in the Bank are not regarded as a definite consent of the Bank to execute them.
- 13.32.9. The Bank reviews the possibility to execute the Payment Order for cash pay-out at the moment when the person authorized by the Client in the Payment Order for cash pay-out requests the cash pay-out.
- 13.32.10. In the event when a Payment Order for cash pay-out is accepted by the Bank via Internet Banking the following additional conditions shall apply:
- 13.32.10.1. the Payment Order for cash pay-out may not feature the seal/stamp of the Client;
- 13.32.10.2. the Payment Order for cash payment may not feature the signature of the Client's representative;
- 13.32.10.3. according to clause 31.1 of the Terms, Payment Orders for cash pay-out that are submitted by the Internet Banking user via Internet Banking are equal to the Client's documents executed and signed in paper form.
- 13.32.11. The Bank is entitled not to execute the Payment Order for cash pay-out without providing a reason.
- 13.32.12. The Payment Order for cash pay-out is valid for 10 (ten) days starting from the day of its signing.

14. Amending and revoking of the Payment Order. Investigation of the Payment

14.1. Amending of the Payment Order

- 14.1.1. The Client is entitled to request the Bank to correct a Payment Order submitted by the Client. The Client must submit the correction (amendment) to the conditions of the Payment Order in writing or by using means of communication that has been agreed by the Parties. The Bank within its capabilities performs all necessary actions to correct the Payment Order. The Client pays commission fee to the Bank for the correction of the Payment order in accordance with the Bank Tariffs and bears the Bank's costs which have incurred in connection with the Payment order correction. The Bank takes no responsibility if the Payment order cannot be corrected.

14.2. Revoking a Payment Order

- 14.2.1. The Client has the right to revoke a Payment Order submitted to the Bank until the Bank has accepted it. To revoke a Payment Order, the Client has to submit the revocation of a Payment order to the Bank in written form or via other communication means on which the Parties have agreed, as well as provide the Bank with the original copy of the Payment Order, if there has been one.
- 14.2.2. After the Client's written revocation has been received, the Bank makes a decision on whether to revoke the accepted Payment Order. In such event, the Bank informs the Intermediary Bank and/or the Beneficiary bank on the Payment Order revocation. Accepted Payment Order may be revoked and the amount of transferred Funds may be regained only with the respective Intermediary Bank's and/or Beneficiary bank's consent (if the Funds indicated in the Payment order are still held by them) or with the consent of Beneficiary (if the Funds indicated in the Payment order are already transferred to the Beneficiary's account). The Bank does not guarantee the return of an accepted Payment Order. The Bank returns the funds indicated in the Payment order to the Client only after the Bank has recovered the Funds of the Payment indicated in the Payment Order and received such Funds in its correspondence Account.

14.2.3. The Client pays a commission to the Bank for the revocation of a Payment order in accordance with the Bank's Tariffs and covers the Bank's expenses, which are related to the Payment Order revocation and regaining of Funds indicated in the Payment order.

14.3. Investigation of Payments

14.3.1. The Client has the right to ask the Bank information regarding the Client's sent outgoing Payment. The Client in writing or by means of communication, which the Parties have agreed, provides information to the Bank about the Payment on which the Client wishes to initiate an investigation and indicates the reason for such investigation. The Bank performs all necessary actions within its capabilities to gather information about the Payment and in written form notifies the Client about the investigation results. For such service, the Client pays commissions to the Bank in accordance with the Bank's Tariffs and covers the actual expenses of the Bank related to the investigation of the Payment.

15. Informing the Client on the Current Account's status and the Bank's operations

15.1. The Bank provides the Client with information about the Current Account's status or any Bank's operations that were carried out in the Current Account as well as statements of the Current Account for any freely chosen period in accordance with the Client Choice of communication:

15.1.1. by mail;

15.1.2. in person at the Bank's Client Service Centre;

15.1.3. via Internet Banking;

15.1.4. by phone, providing the Voice Password.

15.2. If the Client has applied for the regular receipt of Current Account statements, the Client receives a statement of the Current Account for the period indicated in the Application by the Client, receiving it either in person at the Bank's premises or by mail.

15.3. If Funds in Current Account are in several currencies, the statements of Current Account shall be prepared for each currency separately.

15.4. Statements of Current account, which are issued by the Bank in paper form and confirmed by the Bank's electronically generated combination of numbers is valid without a signature.

15.5. The Client is obliged to follow independently the status of the Current Account and notify the Bank in writing of detected errors or failures in operations carried out by the Bank not later than within 10 (ten) days after the statement of Current Account has been received.

15.6. At the end of the calendar year, the Client must verify whether the Bank's operations and Current Account status are accurate, and, if by the 20th (twentieth) January of the next calendar year the Bank has not received objections from the Client in writing, it is considered that the Client recognizes all operations executed by the Bank and the balance of Funds in the Current Account as correct and undertakes to waive any further claims to the Bank.

15.7. If the Parties have not agreed in writing to the contrary, the Bank separately does not inform the Client about executed Payment orders and every event when the Client's Current account is debited or credited.

16. Blocking and Closure of the Current Account

16.1. When closing the Current Account, the Parties shall be guided by clause 10 of the Terms, as well as by the further included rules.

16.2. Current Account may be closed by the initiative of the Client or the Bank, in such order as described in the Terms.

16.3. The Bank, in the cases specified by the Applicable Law or by these Terms, may temporary block the Current Account.

- 16.4. Current Account Blocking can be performed by:
 - 16.4.1. Blocking the possibility of both the Current Account debiting and crediting;
 - 16.4.2. Blocking the possibility of a Current Account debiting;
 - 16.4.3. Blocking the possibility of a Current Account crediting.
- 16.5. If the possibility of a Current Account debiting is blocked, the Funds addressed to the Current Account are transferred to the Current Account, but the Client's Payment order for Fund transfer or cash withdrawals shall not be executed.
- 16.6. If the possibility of a Current Account crediting is blocked, the Client's Payment Orders for transfer of Funds or cash withdrawals are executed, but to Funds that are addressed to the Current Account shall not be transferred.
- 16.7. If the Current Account has been blocked:
 - 16.7.1. In cases specified in the Applicable Law, the Bank shall unblock the Current Account in the order specified in the Applicable Law after receiving confirmation of cancellation of the grounds on which the Current Account was blocked;
 - 16.7.2. In other cases specified in these Terms, the Bank unblocks the Current Account after receiving confirmation of cancellation of the grounds on which the Current Account was blocked.
- 16.8. Commission for the Current Account blocking and unblocking is indicated in the Bank's Tariffs. Blocking of the Current Account debit operations does not apply to payments for the benefit of the Bank, except in cases specified in the Applicable Law.
- 16.9. The Bank has the right, without notifying the Client, unilaterally, to close or block the Client's Current Account or terminate any of the Bank's operations in the following cases:
 - 16.9.1. The Client has not provided the Bank with the requested information or documents, or has provided incomplete, false information or forged documents.
 - 16.9.2. The Client for more than 12 (twelve) months has not performed any Bank's operations with the Current Account and the balance of funds in the Current Account does not exceed the Client's obligations towards the Bank. The Bank has the right to withhold commission fee for the closure of the Current Account.
 - 16.9.3. The Bank has suspicion that the Client or Funds in the Current Account are connected with money laundering or terrorism financing.
 - 16.9.4. If the Client cooperates or is related to person included in the Bank's approved list of persons with whom the Bank does not cooperate.
 - 16.9.5. If the Client has attempted to make or has made fraudulent activities against the Bank, its Clients or for such acts has used the Bank's operations.
 - 16.9.6. In other cases specified in the Applicable Law.

17. General provisions regarding Payment Cards

- 17.1. The user of Payment Card is responsible to comply with all provisions, which in accordance with the Agreement, the Terms and the Applicable Law, are applicable to usage of the Payment Card.
- 17.2. The Bank sets limits in the Bank's Tariffs for settlement with Funds in the Payment Card account or expenses using Credit limit, unless the Parties have agreed otherwise.
- 17.3. The Client may ask the Bank to set limits of expenses for an Additional card, which differ from the limits set in the Bank's Tariffs. Such limits have to be agreed upon between the Parties separately.
- 17.4. Commission fee for usage of the Payment Card is set in the Bank's Tariffs.
- 17.5. The Payment Card is linked with the Payment Card Account and entitles the user of the Payment Card to use Funds in the Payment Card Account or with the Funds in the amount of Credit limit granted by the Bank.
- 17.6. Payment Card Account is opened as a multi-currency account.
- 17.7. The primary currency of the Payment Card Account is EUR.

- 17.8. For the Payment Card Account there may be opened a maximum for 4 (four) additional currencies to the primary currency, which the Client may choose from these currencies - USD, RUB, GBP, CHF.
- 17.9. Bank sets the following currency priorities:
 - 17.9.1. 1. EUR, 2. USD, 3. RUB, 4. GBP, 5. CHF;
 - 17.9.2. *(Excluded)*;
 - 17.9.3. *(Excluded)*.
- 17.10. All Client's and Payment Card user's operations are reflected in the Payment Card Account.
- 17.11. Both the Client and the Payment Card user may perform Transactions in the Payment Card Account within the limits of expenses and / or Credit limit, if the Client has one.
- 17.12. If the Payment Card Account is blocked, the Payment Card shall also be automatically blocked.
 - 17.12.1. The Bank has the right to block the Payment Card if the balance of the Client's Account is negative or the Client has exceeded the limit of expenses or the Credit limit.

18. Issuing, activating and using the Payment Card

- 18.1. To receive a Payment Card, the Client submits to the Bank a completed and signed Application. The Bank considers the Application as the Client's offer to the Bank to conclude an Agreement, if the Client has not already concluded one.
 - 18.1.1. Upon the request of the Client, the Bank issues a Virtual Card. The Virtual Card is without a PIN code and it is issued in a dematerialized form as data via Internet Bank. The Virtual Card number, the CVC2 and CVV2 codes as well as the term of validity of the Virtual Card are available to the Client.
- 18.2. The Bank reviews the Client's Application within 5 (five) Business days.
- 18.3. The Bank has the right to refuse to the Client activation of the Payment Card Account and issuance of the Payment Card without providing a reason for refusal.
- 18.4. Payment Card can be issued to natural persons who are at least 18 (eighteen) years old.
- 18.5. Payment Card is property of the Bank, which by virtue of the Agreement is issued to the Payment Card user for a certain period of time for cash withdrawal and for payment of provided services and purchased goods.
- 18.6. If the Application contains a request to grant Credit limit to the Payment Card Account, the countdown of the term set in the clause 18.2 starts from the day the Bank has made a decision on granting the Cred limit.
- 18.7. If the Payment Card is issued simultaneously with signing of the Agreement deed of acceptance, the Payment Card shall be activated immediately after signing the mentioned documents.
- 18.8. If the Payment Card is sent by mail, the Payment Card user activates the Payment Card by submitting an Application via Internet Banking, via the telephone - providing the Voice password, or attending in person at the Bank.
- 18.9. The Payment Card and envelope with the PIN code is issued to the Payment Card user upon signing the Agreement or deed of acceptance, or by the Client's request is sent by mail.
- 18.10. Payment Card user's signature on the Agreement or deed of acceptance is proof that the Payment Card user has received the Payment Card and an envelope with the PIN code.
- 18.11. The Payment Card can be used for performing Transactions only in those places where the Bank or a Third party has provided for Payment Card acceptance.
- 18.12. The Bank is not responsible for the quality of goods and services, which have been purchased with the Payment Card.
- 18.13. The Bank is not responsible if restrictions or limits of the Bank or third party affect the interests of the Payment Card user.

- 18.14. Upon receipt of the Card, the Cardholder is responsible to sign on the Card's signature sample zone.
- 18.15. Payment Card may be used only by the person whose name is indicated on the Payment Card, if the type of Payment Card provides indication of a person's name and surname, and, which has signed the Payment Card.
- 18.16. Upon the Client's written request, the Bank may issue an Additional Card for natural persons who have reached the age of 7 (seven). The Client bears all the responsibility on the potential risks to the Client, which may be caused by the Additional Card user.
- 18.17. The Client may request and sign all necessary documents for an Additional Card replacement or duplicate issuance, if the Additional Card has been lost or stolen.
 - 18.17.1. *(Excluded).*
 - 18.17.2. *(Excluded).*
- 18.18. For Additional Cards new Current Accounts are not opened and the Additional Card is linked with the Client's Payment Card Account.
- 18.19. When executing a Transaction, user of the Payment Card must sign a document confirming the Transaction or enter a PIN code.
- 18.20. While performing Transactions on the Internet, the Payment Card user must enter CVC2 or CVV2 code, or any other information that is required for authorization.
- 18.21. While performing Transactions on the Internet, when a Payment is made to another country, it is a necessary to submit an Application to the Bank for transferring of the Transaction amount.
- 18.22. When paying with the Payment Card, the Payment Card user may be required to present an identification document or to perform additional verification of the Payment Card.
- 18.23. It is the Payment Card user's duty to request that the Transaction with the Payment Card is made in his/ her presence, and not to sign the Transaction confirming document, if it does not indicate the Transaction amount and / or currency, or if it is indicated wrong.
- 18.24. When using the Payment Card in ATM and POS terminals, the PIN code must be entered correctly.
 - 18.24.1. If the PIN code is entered incorrectly three times in a row, the Payment Card is intercepted and / or blocked.
- 18.25. The Bank reserves the right to set the maximum limit of expenses for the Payment Card and the limit on number of Transactions to be performed in the Bank's specified period.
 - 18.25.1. The limit of expenses is set in the Bank's Tariffs.
 - 18.25.2. The Limit of expenses may be revised upon a Client's Application to do so.
 - 18.25.3. A resolution to change the limit on expenses the Bank makes within 3 (three) Business days after the Client's Application has been received.
 - 18.25.4. The Bank has the right to refuse to change the limits of expenses without explaining the reasons for refusal.
- 18.26. While performing a Transaction in the Client's Payment Card Account, the Bank blocks the sum of funds which is equal to the sum in the Transaction being performed as well as the Bank's commission which is withheld after the documentary confirmation is received.
 - 18.26.1. During the time period between Transaction and documentary confirmation receipt, the available balance in the Client's Payment Card Account can be different from the blocked amount of Client's Current actual blocked balance.
- 18.27. The Bank is not responsible if the Transaction with the Payment Card cannot be executed due to technical reasons beyond the Bank's, merchant's or third party's control, as well as in cases when third parties refuse to accept the Payment Card for settlement.
- 18.28. The Bank is not responsible for illegal usage of the Payment Card or illegal duplication of the Payment Card, or other illegal acts of third parties.
- 18.29. The Bank provides the Client with information about the Transactions and Account balance, ensuring that the Client on a regular basis received the information as Account balance in accordance with the Client's indicated means of communication:
 - 18.29.1. by mail.

- 18.29.2.in person at the Bank's Service Center;
- 18.29.3.via Internet Bank.

19. Rights and obligations of the Client and Payment Card user while using the Payment Card

- 19.1. The Client and Payment Card user undertake to fulfil all their responsibilities in accordance with the Agreement.
- 19.2. The Payment Card user undertakes the following:
 - 19.2.1. To store the Payment Card with the greatest possible care equal to cash, cheques, securities and similar, not allowing the Payment Card to be handed over for use by third parties also after the Payment Card's expiry or closure;
 - 19.2.2. Take all possible security measures to prevent possible losses and prevent illegal use of the Payment Card;
 - 19.2.3. Protect the Payment Card from high and low temperature, electromagnetic field exposure and mechanical damage;
 - 19.2.4. Keep in secret the PIN-code, including not to hold it together with the Card and not to write it down;
 - 19.2.5. Not to exceed the limit of expenses and Credit limit, if Credit limit has been granted to the Client;
 - 19.2.6. Not to sign, nor confirm with PIN-code invoices, which do not contain, or contains incorrectly displayed Transaction amount.
- 19.3. The Client undertakes to:
 - 19.3.1. Provide the Payment Card Account with sufficient funds for payment of received services, interest, contractual penalty and monthly payments;
 - 19.3.2. Reimburse the Bank for losses incurred due to Payment Card usage by the Client or the user of Payment Card, or by both of them;
 - 19.3.3. To inform Payment Card users on their rights and responsibilities towards the Bank, to inform them on the present rules of the Agreement and their amendments;
 - 19.3.4. Inform the Bank by submitting an Application no later than 1 (one) month before the Payment Card expiry date, if the Client wishes the Bank not to renew the Payment Card;
 - 19.3.4.1. If the Client has not submitted the Application, the Bank creates a restored Payment Card with a new expiry date and charges the Client in accordance with the Bank's Tariffs, if:
 - 19.3.4.1.1. the Payment Card Account and the Payment Card have the status "Active";
 - 19.3.4.1.2. at least one Bank's operation was performed with the Payment Card during the last 180 days;
 - 19.3.4.1.3. there is no unpermitted debit balance remaining in the Account;
 - 19.3.4.1.4. if no Bank's operation has been performed with the Payment Card in the last 180 days, but the balance of the Payment Card Account is equal to and/or exceeds the annual fee for the respective Payment Card.
 - 19.3.5. At least once per month to check the balance of the Payment Card Account and to compare the actual Transactions with the Transactions reflected in the regular statement, fulfill the obligations towards the Bank arising from the current Settlement period until the end of next Settlement period, if the Parties have not agreed for another Settlement period, within the procedure set in the Bank's Tariffs.
 - 19.3.6. If the Client finds differences between the Transactions or between the amounts and the recorded amount (except for differences in amounts of Transactions that has resulted from currency exchange), or inaccuracies in the calculated charges, the Client within 15 (fifteen) calendar days from the finding, but no later than 45 (forty five) calendar days from the date when the information about the Transaction was received, informs the Bank on it in writing or via Internet bank.

- 19.3.7. The Bank returns the funds to the Client only after they are recovered from third parties, acting in accordance with provisions of the Bank and International card organizations rules and this Agreement.
- 19.3.8. If the Client does not notify the Bank on the observed differences between regular statement and actual Transactions within the periods specified in clause 19.3.6, it shall be considered that the Client has approved the Transactions indicated in the regular statement and the Bank does not accept, nor reviews claims submitted after the above mentioned term.
- 19.3.9. The Client is financially responsible for legality of all actions with Payment Cards, for all Transactions and losses, which due to the above mentioned have occurred to the Bank.
- 19.3.10. It is the Client's responsibility to refund the Bank for all losses that have occurred due to the usage of the Payment Card, except in cases when these Terms or the Applicable law states otherwise.
- 19.3.11. The Client assumes all material liability for any activities performed with the Payment Card after its expiry, closing, blocking or in the event of violating the Agreement, provided that the Client has not submitted the Payment Card to the Bank for destruction.

20. The rights and obligations of the Bank while providing usage of the Payment Card

- 20.1. The annual fee of the Payment Card is deducted by the Bank from the Payment Card Account no later than within 3 (three) Business days from the date of issue of the Payment Card or within 3 (three) Business days after the term indicated in the Bank's Tariffs.
- 20.2. The Bank is entitled to unilaterally change or set the collateral of the Payment Card, the Interest rate on Credit limit use, Credit limit, expense limits, type of collateral and its extent, by informing the Client no later than 30 days before the decision of the Bank enters into force.
- 20.3. If the currency of the Transaction differs from the currency of the Payment Card Account, the currency exchange in the currency of the Payment Card Account is performed in accordance with exchange rates of the Bank or the International card organizations, on the date when the Transaction is being performed.
 - 20.3.1. The Bank has the right to unilaterally determine the applicable exchange mentioned in this sub-clause.
- 20.4. The Bank supplements the Current Account with a Payment Card in accordance with the Client's or other parties' deposits into the Payment Card Account.
- 20.5. The Bank writes off Transaction amounts from the multi-currency account in the following order:
 - 20.5.1. In cases when the Transaction currency is the same as one of the basic account or sub-account currencies, the Transaction amount will be debited from the respective account. If the account balance is zero or it does not have sufficient funds, the account is supplemented with funds from accounts in the order of priority as provided for in clause 17.9 of the Terms;
 - 20.5.2. In cases when the Transaction currency does not match with any of the basic account or sub-account currencies, the Transaction amount shall be withheld from the principal account. If the principal account balance is zero or it does not have sufficient funds, the account shall be supplemented with funds from another account in the order of priority as provided for in clause 17.9 of the Terms;
 - 20.5.3. *(Excluded);*
 - 20.5.4. *(Excluded);*
 - 20.5.5. *(Excluded);*
 - 20.5.6. *(Excluded);*

21. Credit limit, calculation of Interest and collateral

- 21.1. The decision on granting or increasing of the Credit limit the Bank takes within five (5) Business days after receipt of the Client's Application.
- 21.2. The Bank reviews the Application only after the Client has added to the Application all documents that the Bank has requested.
- 21.3. If the Client is a natural person, the Client must submit to the Bank one of the following documents which is proves Client's income:
 - 21.3.1. SRS reference about the Client's income or in terms of content the equivalent of another state tax administration reference.
 - 21.3.2. The Statement of Client's account at another bank for the last six complete calendar months (original copy);
 - 21.3.3. The Client self-employed person must submit the copy of taxpayer registration certificate and the copy of declaration of personal annual income for the last reporting period with the SRS mark of acceptance.
 - 21.3.4. An employer's issued reference (original copy).
 - 21.3.5. Any other document requested by the Bank.
- 21.4. Credit limit based on the Client's Application the Bank grants in its discretion and it is set in the principal currency of the Payment Card Account.
- 21.5. By the choice of the Client, the Credit limit may be granted in any currency offered by the Bank, as well as in several currencies simultaneously.
- 21.6. If the Client has requested the Credit limit upon signing of the Agreement, the Client has the right to use the Credit limit only after the Client has signed the Agreement.
- 21.7. If the Credit limit has been requested during the Agreement period, the Client has the right to use the Credit limit in accordance with the Agreement.
- 21.8. While deciding on the amount of Credit limit, the Bank takes into account the amount that the Client is requesting in the Client's Application.
- 21.9. In case the given minimum amount of desired Credit limit in the Client's Application exceeds the Credit limit amount that the Bank is willing to offer to the Client, the Bank shall refuse the allocation of the Credit limit to the Client.
- 21.10. If the Bank refuses the allocation of the Credit limit, the Bank within 3 (three) Working days after the decision has been made notifies the Client on it.
- 21.11. Only one Credit limit may be granted for the Client's Payment Card Account, regardless of the number of issued Payment Cards, unless the Client has applied for the Credit limit in multiple currencies simultaneously. In such event, a separate Credit limit is granted for each currency.
- 21.12. The Credit limit is used only if the Payment Card Account does not contain sufficient funds of the Client.
- 21.13. The Client has the right to request a reduction or cancellation of the Credit limit.
- 21.14. The decision about reduction of the Credit limit is taken by the Bank within 3 (three) Business days from the date when the Client has submitted the respective Application.
- 21.15. The decision on cancellation of the Credit limit is taken by the Bank within 45 (forty five) Business days from the date when the Client has submitted the respective Application.
- 21.16. The decision the Credit limit reduction or cancellation, the Bank accepts with the condition that the Client has fully fulfilled his or her obligations towards the Bank in connection with the Credit limit reduction or cancellation.
- 21.17. Annual interest rate for the use of Credit limit and the total costs related with the use of Credit limit the Bank calculates by using the following assumptions:
 - 21.17.1. Credit limit interest rate will remain unchanged and will apply throughout the period of this Agreement, unless it is reduced by the Bank's;

- 21.17.2. Complete repayment of Credit limit amount shall be made in the end of the Agreement term. The Client is required to make minimum monthly repayment of the Credit limit in accordance with the established order in the Bank's Tariffs;
- 21.17.3. The Credit limit amount shall be granted to the Client in full amount on the Credit limit allocation day.
- 21.18. Interest for the Credit limit usage in accordance with the Bank's Tariffs, the Bank is calculating from the date when the actual funds are written off from the Payment Card Account for a Transaction, and accordingly the actual balance of the Payment Card Account is reduced until the day, when the used amount of the Credit limit is paid in the Payment Card Account.
- 21.19. For the amounts exceeding the Bank's allocated Credit limit, the Bank shall calculate a higher interest rate amount which is set in the Bank's Tariffs. Interest rate on exceeded Credit limit is determined in accordance with the Bank's Tariffs from the date when the information about the Transaction is received and accordingly the balance of the Payment Card Account is reduced, and until the date when the relevant overspend is deleted from the Payment Card Account.
- 21.20. If the Client has not settled his payments towards the Banks till the current month's settlement date, the Bank in accordance with the Bank's Tariffs charges the Client with penalty interest on late payment starting from the next day after the settlement day, till the day when the debt is settled.
- 21.21. Interest on the usage of the Credit limit the Bank shall calculate based on the assumption that the number of the calendar days per year is 365 days. There are 12 months within a year (30.41666 days per month (365/12) regardless of whether it's the long or the short year).
- 21.22. It is the Client's duty to pay the interest on the use of Credit within the term determined in the Agreement, as well as to the minimum repayment of the Credit limit in the procedure and amount provided for in the Bank's Tariffs.
- 21.23. The minimum amount for supplementation of the Payment Card Account from the used Credit limit (percentage) and the amount of interest rate for usage of the Credit limit is set in the Bank's Tariffs.
- 21.24. For late payments the Bank calculates penalty interest, the amount of which is set in the Bank's Tariffs.
- 21.25. If the Client has not made any payments within the term of the Agreement, then in the day of repayment the interest calculated by the Bank is classified as sum of funds which exceeds the Bank's granted Credit limit and is added to the sum of debt, on which the interest set in clause 21.19. is calculated.
- 21.26. The Client has the right to repay the used Credit limit or the part of it by making a respective payment into the Payment Card Account. If the Client does not perform payments related to Credit limit set in the Bank's Tariffs, the Bank uses its right set in clause 20.2 to reduce the Credit limit to zero, which creates an obligation to the Client to repay to the Bank the full Credit limit amount, fee for usage of the Credit limit and penalty interest within the term set by the Bank, which is not shorter than 30 (thirty) days.

22. Collateral

- 22.1. Before signing the Agreement and at any time of duration of the Agreement the Bank in its discretion may require additional collateral for fulfilment of obligations, as well as the respective collateral's renewal or supplementation of an existing collateral, if it does not satisfy the Bank's required collateral amount.
- 22.1.1. As a collateral may serve term deposits of natural or legal person, guarantees and other types of collateral that are provided in the Bank's Credit policy.
- 22.2. If prior to the Credit limit allocation the Bank requests from the Client a collateral to ensure the fulfilment of the Client's obligations, then the term of concluding an

Agreement or allocation of Credit limit indicated in the Terms, starts with the moment when the Client has fulfilled the Bank's requirements in regards to the collateral.

- 22.3. If in case the Client upon the Bank's request does not submit to the Bank collateral mentioned in clause 22.1. or does not renew, nor supplements the collateral in the required amount, the Bank has the right without a prior notice to limit in whole or in part the Transactions and/or activities with Payment Cards.
- 22.4. If the Bank as a collateral takes guarantee of a Guarantor, the Guarantor indisputably and irrevocably undertakes the obligation to be responsible as the debtor itself, for the payment of the Client's debt.
- 22.5. If the Client is not fulfilling his or her obligations within the terms set in the Agreement, the Guarantor upon the Bank's request, no later than within 5 (five) Business days after receipt of the Bank's request, repays to the Bank the Client's used Credit limit, calculated interest, contractual penalty, all losses and litigation costs, as well as other amounts that may be belonging to the Bank under the Agreement.
- 22.6. The Guarantor assumes to fulfil the obligations as the debtor itself for all Client's obligations given in the Agreement with all property that is belonging to the Guarantor, including the Guarantor's funds held in the Bank opened in the name of the Guarantor.
- 22.7. With the Agreement the Guarantor authorizes the Bank to write off from any of his Bank accounts the Client's debt without acceptance procedure also in the case if the Bank initiates debt collection procedures primarily against the Guarantor, without turning to the Client.
- 22.8. Security issuer (depositor) transfers the Deposit to possession of the Bank and agrees that the Bank will block it until full settlement of Client's liabilities.
- 22.9. To security issuer (the depositor) is prohibited to reduce, remove, dispose of, transfer to third Parties (assign), pledge or otherwise encumber deposit without a written consent of the Bank.

23. Payment Card expiry term

- 23.1. Payment Card expiry term is indicated on the Payment Card. The Payment Card is valid until last day of the month (including) indicated on the Payment Card.
- 23.2. Payment Card validity term is not the validity term of the Agreement.
- 23.3. Upon issuing a new Payment Card, the Bank cancels the previous one.
- 23.4. The Client assumes liability for ensuring that the Payment Cards bound to the Payment Card Accounts are returned to the Bank after their expiry or after the termination of the Agreement.

24. Term deposits. Depositing the Deposit amount

- 24.1. By signing the Term deposit Agreement, the Client undertakes to ensure deposition of the Sum in the Client's Current account until the Term deposit beginning date 17:00 (Latvian time).
- 24.2. The Client irrevocably authorizes the Bank and the Bank undertakes without receiving a separate order of the Client on the Deposit date to write off from the Client's Current Account the Deposit amount and to transfer it to the Term Deposit account.
- 24.3. The day when the Deposit amount is transferred to the Term Deposit account shall be considered as the Depositing day of the Client's funds.
- 24.4. In case the Term Deposit Agreement is concluded via Internet Bank, it will enter into force once the Client has confirmed the concluding of the Agreement in accordance with the provisions of the Internet Banking Agreement – with the identification device, has fulfilled requirements of sub-clause 24.3. of the Terms and is in force until full fulfillment of the Parties' obligations.

25. The order of calculation and pay-out of the annual interest rate

- 25.1. For the Deposit amount deposited, the Bank pays to the Client annual Interest rate which is calculated according to interest rate in the Special Conditions of the Agreement, the Sum and actual number of the calendar days of the deposit (including the Sum's depositing day but not including the Deposit amount returning day), and assuming that a year consists of 360 days.
- 25.2. After the day of returning of the Amount, as well as after the day of receipt of the Client's Application for early return of the Amount, the Interest rate shall not be calculated.
- 25.3. The Bank shall pay the calculated annual Interest rate to the Client in the following order:
 - 25.3.1. If in the Special Conditions of the Agreement the Parties have agreed on monthly annual Interest rate pay-out, the Bank shall pay to the Client the calculated annual Interest rate for the last deposit period on the last day of each month, starting with the month when the Deposit was deposited in the Bank.
 - 25.3.2. If the annual Interest rate pay-out day falls on a holiday, the Bank shall pay-out the calculated annual Interest rate in the first Business day that follows the holiday.
 - 25.3.3. If in the Special Terms of the Agreement the Parties have agreed on the annual Interest rate pay-out at the end of the Deposit term, the Bank shall pay to the Client the annual Interest rate together with the Deposit amount at the end of the Deposit term.
 - 25.3.4. On the accumulated annual Interest rate amount the Bank shall not calculate interest.
 - 25.3.5. In the event of early return of the Deposit amount, the Bank will pay to the Client the annual Interest rate on the day of Deposit amount's returning along with the Deposit amount, taking into account the provisions of the clause 26.
 - 25.3.6. The Bank shall pay to the annual Interest rate by making a payment into the Client's Current Account.

26. Returning of the Deposit amount

- 26.1. The Bank returns to the Client the Deposit Amount in the following cases:
 - 26.1.1. At the end of the Term deposit term;
 - 26.1.2. In the event of the Bank unilaterally terminating the Agreement in the order stipulated in clause 10.3. of the Terms (the Agreement termination date shall be considered the Deposit amount returning day);
 - 26.1.3. In the event of the Client requesting an early return of the Deposit amount in accordance with clause 26.4. (As the date of return of the Deposit amount shall be considered the day indicated in the Client's Application, if such a day is not indicated, or, if 10 day notification term has not been followed, the eleventh day after receipt of the respective Application in the Bank).
- 26.2. If the Deposit amount returning day is not a Business day, the Bank shall return the Deposit amount in the next following Business day.
- 26.3. After the returning day of the Deposit amount annual Interest rate shall not be calculated.
- 26.4. If the Client wishes to receive the Deposit amount before the term of Deposit, the Client must notify the Bank at least 10 (ten) days in advance by submitting to the Bank an Application for early return of the Deposit. In such event - the Bank no longer calculates the Deposit interest after the Client's Application has been received (including the day when the Application has been submitted to the Bank).
- 26.5. If the Client by his own initiative requests the Bank to return the Deposit amount before the term, the Bank will apply the Bank's commission of 3% (three percent) of the Deposit amount for an earlier return of the Deposit amount, by reducing the amount payable by the Client for the Bank's commission amount.
- 26.6. The Bank returns to the Client the Deposit amount or a part of the Deposit by transferring the funds to the Client's Current Account.

27. Early termination of the Term Deposit Agreement

- 27.1. If the Client has not complied with his or her responsibilities specified in the clause 24.1 of the Terms or, if it is impossible for the Bank to fulfil the Bank's obligations specified in clause 24.2. of the Terms due to reasons beyond the Bank's control (embargo for Client's Current account debiting, etc.), the Term deposit Agreement shall become invalid and shall not be binding to the Parties.
- 27.2. Client has the right to unilaterally terminate the Agreement before the term and to receive the Deposit amount before the Deposit term in accordance with the procedure stipulated in clause 26.4 of the Terms.
- 27.3. In other circumstances, the Parties shall act in accordance with Chapter 10 of the Terms.

28. Internet Banking (Remote Access) provisions

- 28.1. On the base of the Client's Application - Internet Banking is connected to all of the Client's Accounts and grants the Client the option to remotely perform actions with the Accounts considering limits set by the Bank and the Internet Bank user's defined specifications.
 - 28.1.1. *(Excluded).*
 - 28.1.2. *(Excluded).*
- 28.2. If the Client is receiving the Internet Banking service, then the Bank's issued and publicly available (at the Bank's webpage www.lpb.lv) Internet banking and Identification tool using instructions and guides shall become an integral part of the Agreement and shall be binding to the Client from the moment when the Internet bank is connected. The Bank has the right without a prior notice to amend the mentioned instructions and guides, change their names, issue new guides and instructions, as well as terminate validity of the existing guides and instructions.
- 28.3. For the services of Internet Banking, the appropriate provisions of services and the Agreements concluded by the Parties are applicable.
- 28.4. In other matters, the Parties shall act in accordance with the Applicable Law.
- 28.5. The Client is responsible to comply with all provisions, which in accordance with the Agreement are applicable to the Internet Banking usage and receiving of services, as well as to ensure that all Internet Banking users are familiar with the provisions of the Agreement and comply with them.
- 28.6. In Bank's Tariffs the Bank sets limits on the services received via Internet Banking (Limits - including for each Identification tool separately, Internet Banking usage times and types, etc.), as well as validity terms of the Identification tools.
 - 28.6.1. In addition, the Bank may impose additional restrictions to the Client or any Internet Banking user, notifying the Client via Internet Banking.
 - 28.6.2. The limits of Identification tool can be changed by the Parties mutual agreement via Internet bank or in person. The Bank has the right not to increase the limit without providing a reason.
- 28.7. The Bank is entitled to unilaterally change services, which the Client can receive via Internet Banking, and to set the service types, for which it is mandatory to sign the Agreement with the Bank in paper document form, notifying the Client on these changes via Internet Banking.
- 28.8. Commission fee for Internet Banking service and the Bank's operations are set in the Bank's Tariffs.

29. Internet Banking Usage Modes and Internet Banking Users

- 29.1. In accordance with the provisions of the Agreement, the Bank provides the Client access to services via Internet banking.

- 29.2. In Internet Banking, the Bank's operations on behalf of the Client are performed by the Internet Banking users, using the Identification devices granted by the Agreement for each Internet Banking user and according to the Internet Banking usage mode.
- 29.3. (*Excluded*).
- 29.3.1. (*Excluded*).
- 29.3.2. The charge for receiving the Code cards and Identification device (DigiPass) is set in the Bank's Tariffs.
- 29.3.3. The Bank shall ensure free repairs or substitution of the Identification device (DigiPass) during the warranty period, if it is established that the Identification device (DigiPass) has a manufacturing defect. The warranty period is 2 (two) years from the moment the Identification device (DigiPass) has been issued to the Client. After the end of warranty period, the Client shall cover all expenses related to the Identification device (DigiPass), including repairing, maintenance and substitution, in accordance with the Bank's Tariffs.
- 29.4. The following Internet Banking usage modes are available:
- 29.4.1. *Informative mode*, which enables Internet Banking user to receive information about the Client's Accounts and Transactions;
- 29.4.2. *Preparatory mode*, which enables Internet Banking user to receive information about Client's Accounts and Transactions, as well as to prepare the Client's Payment Orders;
- 29.4.3. *Unlimited mode*, which enables Internet Banking user to receive information about the Client's Accounts and Transactions, to prepare and submit the Client's Payment order to the Bank, send Applications and related documents that will be considered as signed by the Client, as well as carry out any other Bank operations.
- 29.5. While determining usage mode for Internet Banking users the following provisions must be considered:
- 29.5.1. Internet Banking usage mode that is set up for Internet Banking user is linked to the Identification device issued for the Internet Banking user.
- 29.5.2. For the Internet Banking user of a Client who is a natural person the Informative, Preparatory or Unlimited mode may be granted.
- 29.5.3. At least one of the Client's, who is a legal person, Internet Banking users must have the unlimited mode access.
- 29.6. While determining the Internet Banking users the following provisions must be considered:
- 29.6.1. If the Client is a natural person:
- 29.6.1.1. (*Excluded*);
- 29.6.1.2. Internet banking user must be a person of age and of legal capacity.
- 29.6.2. (*Excluded*):
- 29.6.2.1. (*Excluded*).
- 29.7. The Client determines the Internet Banking user, the Internet Banking mode to be granted and the type of Identification tool (Code card or Identification device (DigiPass)) by notifying the Bank before the Agreement conclusion and by entering the relevant information to Internet Banking user accounts card, or indicating the necessary information in the Application. If the Internet bank user is not the Client's authorized person, a Bank's power of attorney shall be drafted with stipulated scope of powers to use the Internet bank, in accordance with the usage mode indicated in the Internet bank user card. Copy of an identification document of the Internet bank must be submitted to the Bank.
- 29.8. The Client is entitled to make changes to Internet Banking users, to Internet Banking usage modes or to types of Identification devices granted for Internet Banking users by completing a new Internet Banking users card in the presence of a Bank employee.
- 29.9. If the Client's suggested Internet banking users indicated on the Internet Banking users card, the Internet Banking usage modes for them and the Identification devices comply with the Agreement, the Bank accepts these Internet Banking users and against the Client's signature issues to the Client the appropriate Identification tools.

- 29.10. The Bank has the right not to accept the Client's requested Internet Bank user, without providing a reason for the refusal.
- 29.11. Internet Banking user obtains the right to use Internet Banking and on behalf of the Client perform Bank's operations in accordance with the given Internet banking usage mode after the Client, by signing the Internet bank user card confirms, that the Internet bank user has received the Client's given identification device and the first identification of the Internet bank user in accordance with the Agreement has taken place.

30. Internet banking user identification

- 30.1. When connecting to and using Internet bank, the Internet bank user enters his or her own identification data to prove their identity.
- 30.2. Internet bank user identification data for connection to the Internet bank and for its usage are as follows:
 - 30.2.1. Bank's assigned identification code;
 - 30.2.2. Identification tool's access codes;
 - 30.2.3. Internet bank user's password.
- 30.3. Using the Internet bank for the first time – the Internet bank user enters the Bank's issued primary Internet bank password, which the Internet bank user is obligated to change after the first entry.
 - 30.3.1. *(Excluded)*.
- 30.4. If the operation performed via Internet bank is approved with an Identification tool, it is considered that this Bank's operation has been approved by the Internet bank user, to whom the respective Identification tool has been granted.
- 30.5. Internet bank user is responsible for keeping the Identification tool safe and to provide that identification data of Internet Banking user would not be transferred or disclosed to third persons.
- 30.6. The Bank blocks Internet bank user's access to the Internet bank with respective Identification device in the following cases:
 - 30.6.1. After receiving the notification mentioned in clause 8.4.17. of the Terms;
 - 30.6.2. If during authorization in Internet bank:
 - 30.6.2.1. 5 (fives) times in a row incorrect data of the DigiPass device has been entered:
 - 30.6.2.1.1. Access (PIN) code, or;
 - 30.6.2.1.2. Generated code for document signature, or;
 - 30.6.2.1.3. Generated code while authorizing in Internet bank;
 - 30.6.2.2. 3 (three) times in a row incorrect password has been entered;
 - 30.6.2.3. 4 (four) times in a row incorrect Code card code has been entered;
 - 30.6.3. If the Client's – legal person's Internet bank users term of powers, according to the Signature and seal specimen card, has ended, or due to other reason the Client's representative does not have the right to represent the Client;
 - 30.6.4. *(Excluded)*;
 - 30.6.5. If it has been requested by the Client;
 - 30.6.6. In other cases in accordance with the Agreements concluded between the Parties or the Applicable Law.
- 30.7. Access to the Internet bank that has been blocked in accordance with clause 30.6 of the Terms, is restored after the Client appears in the Bank in person and submits a written Application to renew access to Internet bank. If the access was blocked in accordance with clauses 30.6.3 or 30.6.6, to unblock it the Client must additional submit to the Bank documents confirming that the reason for blocking of the Identification device are no longer in force.
- 30.8. Access to Internet bank that has been blocked in accordance with clause 30.6.2, may be renewed only after the Internet bank user or the Client via phone +371 67772999 has performed identification mentioned in clause 35.6 of the Terms and requests the Bank to

activate the respective Identification device. After identification of the Client, the Client is provided with the PUK1/PUK2, or unlock code.

31. Executing the Client's orders via Internet bank

- 31.1. Payment Orders submitted via Internet bank are equivalent to documents that are signed by the Client and submitted in paper form. .
- 31.2. Payment Order's, that has been submitted via Internet bank, term of validity is until the end of the day when it has been submitted, if no later term has been indicated in the Payment Order.
- 31.3. If within this period the Client's Account does not contain sufficient funds to execute the Payment Order, the Payment Order execution is postponed until supplementation of the Account with the necessary amount of funds. If within 10 (ten) Business days the Account is not supplemented, the Payment Order shall become invalid and the Bank shall not have an obligation to execute it.
- 31.4. The Bank may not execute the Client's Orders for currency exchange, if the currency exchange rate indicated in the Order within one day differs from the actual currency exchange rate.
- 31.5. Other cases when the Bank is not obliged to execute the Client's Orders via Internet bank are described in Chapter 13.
- 31.6. Upon receipt of the Payment Order, the Bank has the right to contact the Client or the respective Internet bank user, to verify the accuracy of the Payment Order and to obtain an additional approval of the Client.
- 31.7. The Bank has the right not to execute the Client's Payment Order, if with the Client's submitted operation the limit of the Identification device is exceeded.

32. Informative SMS

- 32.1. Connection to the "Informative SMS" service is done based on the Client's Application for reception of the Informative SMS submitted to the Bank.
 - 32.1.1. (Excluded).
 - 32.1.2. (Excluded).
- 32.2. The "Informative SMS" service operates only in an informative mode, and does not provide the Client with the possibility to perform Bank's operations in the Account using the mobile phone.
- 32.3. The Bank submits information about performed Bank's operations only in those Accounts, which were opened for the Client until the day (including) when the Application for the Informative SMS was submitted.
- 32.4. The Client undertakes full responsibility for consequences, which may arise if the information which is received on the mobile phone according to the amount of provided information that is indicated in the Application for reception of the Informative SMS becomes available to third persons.
- 32.5. The Client is informed that the Bank is not responsible for mobile network interferences, as a result of which the reception of information on the mobile phone is not possible or is made with delay.
- 32.6. The Client is informed that the service to the Client will be provided, if within 3 (three) Business days from submission of the Application for reception of the Informative SMS at the Bank, the Bank will not informed on the contrary.
- 32.7. The Bank directly debits fee for the Informative SMS from any of the Client's Accounts.
- 32.8. Fee for the Informative SMS is indicated in the Bank's Tariffs.
- 32.9. The Bank stop providing the Informative SMS service within 3 (three) Business days from the day, when the Bank receives has received the Client's Application for termination of providing the Informative SMS service.

33. Opening of the Temporary account. The rights and obligations of the founder of the Client. Closure of the Temporary account

- 33.1. Temporary account is opened for the purpose only to transfer the Client's equity capital.
- 33.2. The Temporary account is opened in accordance with the provisions of the Current account opening.
- 33.3. The Temporary account is opened as a multi-currency account and its primary currency is EUR.
- 33.4. The Client's founder has to notify the Bank on any changes in the information that is provided by the Client's founder, including registration on rejection of registration in the Register of Enterprises of the Republic of Latvia.
- 33.5. After registration in the Register of Enterprises of the Republic of Latvia, the Client's authorized person, on a representative who is acting on the basis of a power of attorney drafted as notarial deed, must submit to the Bank confirming the registration in order to open a Current Account. The number of the Current Account will be identical with the number of the Temporary account.
- 33.6. If the Client has not registered in the Register of Enterprises of Republic of Latvia, the Client's founder or a representative who is acting on the basis of a power of attorney drafted as notarial deed, submits to the Bank Application for termination of providing the Bank's services and a Payment Order to pay-out the funds in the Temporary account in cash to the person indicated in the Client's founding documents or the representative mentioned in the power of attorney, or to transfer to an account in another credit institution, from which the funds were originally received. If after 29 days from opening of the Temporary account the funds in the Temporary account are not paid out or transferred, the Bank shall withhold commission fee for storage of the funds in the amount indicated in the Bank's Tariffs. The person (Client's founder or person authorized via the power of attorney drafted as notarial deed), who has paid the equity capital sum in the Temporary account, may receive it only after submitting an Application to terminate the provisions of the Bank's services.
- 33.7. The Bank has the right, without prior warning to the Client's founder, to unilaterally close the Temporary account, if the Client's founder within 2 (two) months after the Temporary account opening has not been registered in the Register of Enterprises of Republic of Latvia, or the Client's representative has not submitted Application for opening of a Current Account or the Bank has refused to open a Current Account. Funds in the Temporary Account shall be transferred to the Client's founder or to the person who has initially transferred the sum of the equity capital.
- 33.8. *(Excluded)*.
- 33.9. Upon the closure of the Temporary account the Client's founder is charged with all commission fees that had to be but were not received by the Bank until the Temporary account closure.
- 33.10. *(Excluded)*.
- 33.11. When closing the Temporary account, the documents which the Client's founder has submitted to the Bank before opening of the Temporary account or during the period of its operation, shall not be returned to the Client's founder.
- 33.12. The Temporary account shall be closed only when obligations established in relation to the use of the Temporary account are fulfilled and when the Client's founder has fully settled with the Bank.
- 33.13. *(Excluded)*.
- 33.14. *(Excluded)*.
- 33.15. *(Excluded)*.

34. Currency transactions

- 34.1. This chapter regulates legal relations between the Parties which are related to the Bank's and the Client's currency exchange Transactions with the Value date on the current day and with delivery of the principal amounts of Transactions, special conditions of which are set by additionally agreeing in each separate case (hereinafter referred to as the "Transaction provisions"). The Parties agree that Transactions shall be concluded in Latvian, Russian and English.
- 34.2. In order to conclude a Transaction, the Client, during business hours of the Bank, by calling the phone number +371 67772977 or other phone number that is indicated by the Bank's employee and stating his name, surname or name of the legal person and the identity number assigned by the Bank, agrees on the following Transaction provisions:
 - 34.2.1. Transaction currencies;
 - 34.2.2. Transaction type - buying or selling;
 - 34.2.3. The amount of at least one currency and the currency exchange rate, or the amount of both currencies;
 - 34.2.4. Cash or non-cash settlement.
- 34.3. The Bank starts execution of the Transaction immediately after the Parties have agreed on the Transaction provisions, unless the Parties have not agreed otherwise. As to the period of validity of the Transaction provisions, if it is not explicitly indicated, it shall be assumed that the period of validity of the Transaction terms is until the end of the Business day, on which the Transaction is concluded. The Bank is obliged to inform the Client in case the Transactions provisions are impossible to fulfill or their execution is denied for the Client, by providing the reasons, except in cases that are stipulated in this chapter.
- 34.4. Amendments to the Transaction provisions, if the Parties have agreed on such, have to be concluded in the same manner as the agreement for Transaction provisions was reached.
- 34.5. The Transaction enters into force from the moment, when the Parties have agreed on the Transaction provisions. A record of the phone conversation (audio) serves as a proof of verbally concluded Transaction. The Parties agree to reciprocal recording of phone conversations and the use of audio records for justification of Transactions. The Bank has the right to request the conclusion of any Transaction or the Approval of its changes in writing before its approval is made.
- 34.6. In case if upon the Bank's request the Client does not submit the Approval, the Bank has the right not to fulfill its obligations, which arise from the Transaction, until the moment when the Approval is submitted. In such case the Client undertakes to refund all of the Bank's losses, which are related to late submission of the Approval.
- 34.7. If the Approval differs from the agreement that is reached verbally, then the verbal agreement that is reached at the moment of the Transaction conclusion is in force, and the execution of the Transaction is terminated, if it is possible, until the moment, when the Parties agree on unclear issues. In case the Bank has fulfilled its obligations that are indicated in the Transaction Approval until reception of the written Approval, the Client is obliged to acknowledge them to be binding on him and to fulfill all conditions of the agreement that were reached verbally.
- 34.8. The purpose of the Transaction Approval is to facilitate the obtaining of evidence. Not submitting the Transaction Approval at the time and in the manner that is indicated in the Transaction provisions does not make the Transaction invalid.
- 34.9. All calculations that are related to Transactions and this chapter are made by the Bank, but it does not release the Client from the obligation to verify the correctness of all performed calculations and in case of doubt to immediately inform the Bank about it.
- 34.10. The Parties undertake to perform settlements in the order set in this chapter and in accordance with provisions, on which the Parties have agreed at the moment of concluding the Transaction.

- 34.11. The Client is obliged, on the respective business day of the Bank, to submit either in person via Internet banking a Payment order about execution of the concluded Transaction.
- 34.12. The Parties cannot unilaterally derogate from execution of the Transaction or change the Transaction provisions, except in cases stipulated in sub-clause 34.13.
- 34.13. If the Client does not fulfill his/her obligations, arising from the Transaction on the set value date, the Bank has the right to act as follows:
- 34.13.1. To unilaterally withdraw from the Transaction, and the Transaction is considered to be invalid, however it does not release the Parties from the obligation to cover losses that arise from the Transaction;
- 34.13.2. To execute the Transaction by debiting the required funds for the Transaction from the Account. The Client irrevocably authorizes the Bank, without prior warning to the Client to use the funds in the Client's Account for settling the claim against the Client, by debiting the required amount of funds from the Account;
- 34.13.3. To initiate debt collection procedures against any property of the Client.
- 34.14. The Client has the right to request, and the Bank is obliged to provide information about the process of Transaction execution.
- 34.15. The commission fee for the Transaction set in this chapter is indicated in the Bank's Tariffs. The Client irrevocably authorizes the Bank, and the Bank undertakes without reception of separate order from the Client, to debit the commission fee for Transactions performed by the Client from the Client's Account and if necessary, convert the funds according to the exchange rate that is set by the Bank on the day when the operation is performed.
- 34.16. The Bank hereby informs the Client and the Client confirms that the Bank has informed him and he has understood that currency exchange transactions are related financial risk, taking into account the volatility of the currency market and any possible limitations in regards to the available currency market. The Client acknowledges that as a result of the Transactions, there is a risk to lose his/hers all investments.
- 34.17. The Bank hereby informs the Client and the Client confirms that the Bank has informed him and he has understood that the Bank, while concluding the Transaction, does not evaluate the applicability of the Transaction to the Client and therefore the Client is not a subject to relevant protection.
- 34.18. Before the concluding the Transaction, the Client has the right to request information from the Bank about the possible Transaction, including foreign currency quotations and possible tendencies. The information or recommendations, which the Client has received from the Bank shall not be considered as advice or a suggestion within the meaning of Sections 2318 and 2320 of the Civil Law, and it does not put any obligations on the Bank. The Client confirms that the Bank is not and may not be responsible for consequences of decisions that are independently made by the Client.
- 34.19. Execution of Transactions may impose other financial duties, including possible obligations.
- 34.20. The Bank has the right to encumber the Client's funds, as well as the Bank has the right to perform mutual set-off in regards to the Client's funds and collateral, if such exists, involved in the Transaction.
- 34.21. *(Excluded).*
- 34.22. *(Excluded).*
- 34.23. For late or incomplete transfer of funds to the Party's account indicated in the Transaction, the guilty Party has to pay the penalty in the amount of 0.1% (zero point one percent) from the amount of money that is due by the Client, which is calculated for each day of delay.
- 34.24. The penalty payment does not release the Parties from fulfillment of obligations.
- 34.25. The Party, which has not fulfilled or has fulfilled its obligations in an improper manner, is obliged to reimburse the other Party's losses.

35. Telephone banking

- 35.1. Connection to the "Phone banking" service is made on the basis of the Client's Application for reception of the Phone banking service, submitted to the Bank.
- 35.1.1. If the Application is received at the Bank until 4 p.m., the "Phone banking" service is connected until the end of the same Business day;
- 35.1.2. If the Application is received at the Bank after 4 p.m., the "Phone banking" service is connected on the next Business day.
- 35.2. The "Phone banking" service is connected for all of the Client's Accounts that are opened at the Bank, also for those that will be opened after the connection to this service is made.
- 35.3. Via "Phone banking" service the Client is able to perform the following Bank's operations:
- 35.3.1. Transfer of funds between the Client's Accounts;
- 35.3.2. Exchange of currency for the Funds in the Client's Accounts;
- 35.3.3. Receiving information about the Client's Account balances;
- 35.3.4. Ordering of Funds or withdrawing the orders of cash withdrawals at the Bank's cash desk;
- 35.3.5. Unblocking of an Identification device.
- 35.4. All Bank's operations are performed within the limits that are set by the Client and the Bank, if such are set for the specific banking operation.
- 35.5. The Client receives the "Phone banking" service if he has connected the service and if the Client has called the Bank to the Telephone banking phone number, indicated on the Bank's website - www.lpb.lv during the business hours of the Bank, and have performed identification.
- 35.6. The Client's identification for receiving the "Phone banking" service is made in the following order:
- 35.6.1. the Client states his CIF number;
- 35.6.2. the Client states his Voice password that is indicated in the Application, his name and surname, personal number (if the Client has such) and/or date of birth (for natural persons) / company name (for legal persons);
- 35.6.3. the Client states his phone number indicated on the Application;
- 35.6.4. if the Bank has doubts about authenticity of the Client's identity, the Bank has the right to request additional information for identification purposes.
- 35.7. After successful identification of the Client, the Client may request the Bank to perform Bank's operations provided for in the terms of the "Phone banking" service.
- 35.8. If the telephone conversation is terminated, the Client has to be identified once again.
- 35.9. If disagreements arise about execution of the Client's Order via Telephone banking, the Client is obliged to prove the incorrectness of the Bank's action.

36. Terms for Safe-deposit box rental

- 36.1. The Bank assigns a Safe-deposit box for rent to the Client, if the Client has opened a Current account at the Bank, completed the Application for Safe-deposit box rental and paid the fee indicated in the Bank's Tariffs for the whole Safe-deposit box rental period.
- 36.2. When signing the Application, the Client concludes a Safe-deposit box rental Agreement with the Bank for the period, which the Client has indicated in the Application. The Client has the right to prolong the Safe-deposit box rental Agreement no later than within 90 (ninety) calendar days after the end of the Safe-deposit box rental period.
- 36.3. When concluding the Safe-deposit box rental Agreement, the Client pays the Safe-deposit box rental fee, which is indicated in the Bank's Tariffs for the whole rental period. In case of early termination of the Safe-deposit box rental Agreement, the received rental fee shall not be returned.
- 36.4. The Client has the right:

- 36.4.1. to terminate the Safe-deposit box rental Agreement at any moment before the end of the rental period, by filling and submitting to the Bank a respective Application and returning the Safe-deposit box keys;
 - 36.4.2. to assign the Safe-deposit box access rights to third persons in accordance with the authorization terms that are indicated in sub-clause 6.1 of the Terms. The authorized person may not be required to be included in the Signature and seal specimen card;
 - 36.4.3. to deliver to the Bank the Client's Safe-deposit box key for safekeeping, paying the respective commission;
 - 36.4.4. to access the Safe-deposit box during the Business hours of the Bank, after complying with the Bank's requirements for the Client's identification.
- 36.5. The Client is obliged:
- 36.5.1. To inform the Bank about on any circumstances that are known to the Client which affect the safety of the Safe-deposit box or its content, including visual damages of the Safe-deposit box, loss of the Safe-deposit box key or the incompliance of objects that are stored in the Safe-deposit box in accordance with sub-clause 36.5.6.1 of the Terms;
 - 36.5.2. To clear the Safe-deposit box and submit the Safe-deposit box keys to the Bank within 30 (thirty) days after termination of the Agreement;
 - 36.5.3. To undertake responsibility for the Client's and its representatives' actions with the Safe-deposit box and its contents. The Bank is not responsible for mistakes in the Client's or its representatives' identification and verification of powers, or verification of its validity;
 - 36.5.4. To pay the fees that are set in the Bank's Tariffs for the loss of the Safe-deposit box key, its damage or the Safe-deposit box forced opening, regardless of whether the forced opening had to be performed upon the Client's or the Bank's initiative;
 - 36.5.5. To undertake full material responsibility for losses that arise to the Bank and/or third persons, due to influence of the objects that are stored in the Safe-deposit box.
 - 36.5.6. It is prohibited for the Client:
 - 36.5.6.1. To store the following in the Safe-deposit box – living creatures, objects, the storage of which requires a special microclimate, easily flammable objects, explosive, evaporable, poisonous, drugs, psychotropic substances, radioactive and other substances or objects, which may harm the Safe-deposit box and the objects surrounding it or people that are close to the Safe-deposit box, side arms, guns, ammunition, explosive charges, pyrotechnics, as well as other substances and objects, for the storage of which the Client does not have a special permission or the Client cannot store in accordance with the Applicable law;
 - 36.5.6.2. To make duplicates of the Safe-deposit box key;
 - 36.5.6.3. To hand over the Safe-deposit box keys to persons, who are not authorized to store the Safe-deposit box keys.
- 36.6. The Bank has the right:
- 36.6.1. according to chapter 10 of the Terms, to early terminate the Safe-deposit box rental Agreement in the following cases:
 - 36.6.1.1. if the Bank has reasonable doubts that the Safe-deposit box stores objects, which are forbidden to be stored in the Safe-deposit box according to the Terms;
 - 36.6.1.2. if on the basis of a valid court judgment it is requested to open the Safe-deposit box;
 - 36.6.1.3. if the Client has lost the Safe-deposit box key and requests the Bank to open the Safe-deposit box.
 - 36.6.2. to open the Safe-deposit box without the presence of the Client in the following cases:
 - 36.6.2.1. if it is requested on the basis of a valid court judgment;
 - 36.6.2.2. if it is requested by the Client's representative, who is authorized in accordance with sub-clause 6.1 of the Terms;

- 36.6.2.3. if within 90 (ninety) days after the termination of the Agreement for the Safe-deposit box rental the Client has not emptied the Safe-deposit box and has not handed over the Safe-deposit box keys to the Bank;
- 36.6.2.4. if the Safe-deposit box is damaged or the Bank has reasonable suspicion that it may be damaged in a way so that the safety of objects inside in danger.
- 36.6.3. while performing activities set in sub-clauses 36.6.2.1, 36.6.2.3, 36.6.2.4 of the Terms, to form a commission that consists of the Bank's representatives, who organizes the opening of the Safe-deposit box, and the inspection deed, in the contents of objects that are stored in the Safe-deposit box are described. The Bank has the right to invite state officials, when opening the Safe-deposit box, who have the right to establish and record legal facts according to the Applicable law.
- 36.6.4. after fulfillment sub-clause 36.6.3 of the Terms, to move the contents of the Safe-deposit box to another safe place of storage in the Bank, by informing the Client about it in writing, and to store it until the Client's request is made but no longer than 10 (ten) years.
- 36.6.5. to act with the contents of the Safe-deposit box at its discretion and to consider it to be the Bank's property with a delay (Section 998 of the Civil law), if the Client does not appear at the Bank in order to collect the contents of the Safe-deposit box within 30 (thirty) days after the end of the deadline that is stated in the sub-clause 36.6.4 of the Terms. 30 (thirty) days before the acquisition of the Safe-deposit box contents, the Bank sends a notification to the Client and publishes it in an official publication of the Republic of Latvia 'Latvijas Vēstnesis'.
- 36.6.6. to withhold the contents of the Safe-deposit box until the moment when the Client has paid all calculated and unpaid fees in accordance with the Bank's Tariffs.
- 36.7. The Bank is obliged:
 - 36.7.1. to ensure safety of the Safe-deposit box and access to the Safe-deposit box only to the Client and those persons, who according to the Agreement or the Applicable law have the right to access the Safe-deposit box. The Bank is released from responsibility for the storage of the Safe-deposit box contents in case of force majeure.
 - 36.7.2. To identify the Client and its representative by requesting:
 - 36.7.2.1. to present an identification document;
 - 36.7.2.2. to state the Safe-deposit box number that has been given to the Client for rent;
 - 36.7.2.3. to present the Safe-deposit box key;
 - 36.7.2.4. for the Client's representative - to present a power of attorney according to sub-clause 6.1 of the Terms, if such power of attorney has been issued.
- 36.8. The access to the Safe-deposit box shall be denied, if the Client or its representative cannot fulfill the Bank's identification requirements.
- 36.9. The period of stay at the room of Safe-deposit boxes is 15 (fifteen) minutes. After the end of the above-mentioned period the Bank's employee has the right to ask the Client or its representative to leave the room of Safe-deposit boxes.
- 36.10. No more than 1 (one) person at a time is allowed to stay at the Safe-deposit box, apart from the Bank's employees or persons, who are allowed to stay in the room of Safe-deposit boxes according to the Applicable law.

