

Magnetiq Bank General Terms of Service

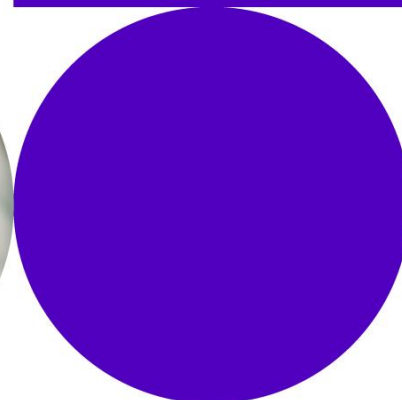
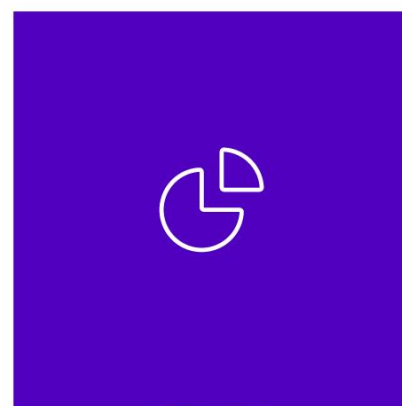
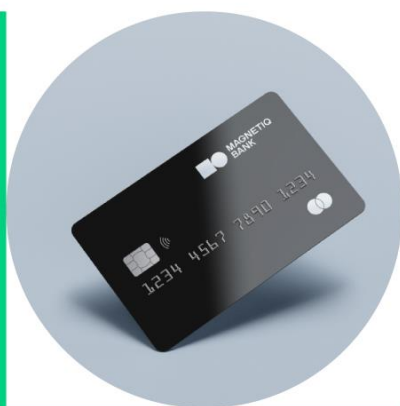


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Terminology

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 – AS Magnetiq Bank registered in the Republic of Latvia with unified registration number: 50103189561, legal address: Brivibas Street 54, Riga, LV-1011, e-mail: info@magnetiqbank.com, home page – www.magnetiqbank.com, BIC: LAPBLV2X, a license for operating as credit institution has been issued to the Bank, and its activity is supervised by the Bank of Latvia, address: Krisjana Valdemara street 2A, Riga, LV-1050, Latvia.

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 Price List – is a list of fees which are approved by the Bank and which is valid on the day when the Bank's operation is completed and is available at Service centers and the Bank's home page – www.magnetiqbank.com. Bank's Price List is an integral part of the Agreement.

Budget Payment – Payment, which is made to accounts of budget of the Republic of Latvia.

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 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.

Data subject – identified or identifiable natural person who can be identified either directly or indirectly.

European Payment – Payment in EUR currency, which is made within the territory of European Economic area, Swiss Confederation, Monaco and San Marino.

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 – One-Time Security Code, electronic Identification device (DigiPass), secure electronic signature or Magnetiq Bank mobile app 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.

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.

Excluding circumstances – any circumstances, due to which it is not possible to perform the tasks indicated in the demand for account change and in Chapter II of terms of Account change service provision (Financial and Capital Market Commission Regulations No.195), including (but not limited to) loan agreement related to the Client's account and financial pledge provision to Providing payment service provider.

Magnetiq Bank mobile app - Bank's mobile application for authentication in the Internet Bank, confirmation of payments and documents in the Internet Bank.

Client – a natural or legal person, or an association of such persons, who uses or has expressed a desire to use any of the Bank's 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).

Control number - a unique series of numbers that is simultaneously displayed in the Internet Bank and Magnetiq Bank mobile app before each authentication or confirmation in the Internet Bank in order to compare the operation in the Internet Bank with the confirmation request Magnetiq Bank mobile app

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 Price List.

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 Price List, 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

Payment card - A Mastercard issued and serviced by the Bank, and which is linked to the Payment card 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.

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.

Delivering payment service provider – payment service provider, who delivers the necessary information for change of accounts to other payment service provider (the Bank).

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 Laws – 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 Price List, 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.

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

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

Sanctions – restrictions imposed by the Republic of Latvia, the European Union, United Nations and/or a member state of the North Atlantic Treaty Organization (United States of America / OFAC) against the subjects of sanctions.

Amount – the amount specified in the Special Agreement in the specified currency, which the Client deposits in the Bank according to the terms of the Agreement.

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 payment card organizations – international Payment card organizations VISA, Mastercard 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 Laws and/or Transaction documents (Agreements) concluded with the Bank on provision of certain Bank's services, insufficient quality, non-availability of the services, or client servicing culture.

SWIFT – (Society for Worldwide Interbank Financial Telecommunication) is the international interbank electronic financial communication system, where each participant has its own unique business identifier code (BIC). The code of AS Magnetiq Bank is LAPBLV2X.

Telephone 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.

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.

One-Time Security Code – unique one-time code generated by the Bank, which shall be sent to the Client’s mobile phone number indicated in the Bank’s system.

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).

3D Secure (Mastercard® Identity Check™) – additional security function for online purchases, which provides protection of the Payment card with additional types of protection – Personal Assurance Message and One-Time Security Code or code of Identification tool DigiPass.

General Part

1. Application of Terms

- 1.1. These Terms determine the mutual legal relations between the Client and the Bank regarding services provided by the Bank, as far as they are not determined by the Special Agreements concluded between the Client and the Bank for each specific service. In the case of contradictions between the Terms and the Special Agreement, the Special Agreement 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 of the Bank's Service Centers and at the Bank's home page (www.magnetiqbank.com).
- 1.3. The Client's signature on a Contract or a 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 Laws 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 is 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 document in the Terms also include all amendments thereto and any other changes, as well as renewals 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 provides Bank's services to natural or legal persons registered in LR and other countries, in accordance with the procedure laid down in the legislation of the LR, the International Law binding on LR and the Bank's internal normative documents.
- 1.11. Terms are divided into parts, chapters, paragraphs and subparagraphs. Chapter titles are informative and do not govern the relationship between the Bank and the Client, they are rather intended to ease navigation through the Terms. Subparagraphs are applicable only together with paragraphs.
- 1.12. Terms and any other Special Agreements 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 Bank of Latvia supervises the operations of the Bank.

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

- 2.1. The Bank has the right to unilaterally change the Bank's Price List or to modify the Terms without providing prior notice to the Client, in the following cases:
 - 2.1.1. If amendments to the Terms or changes in the Bank's Price List are made in favor of the Client (for example, reduced commission fees, the time for implementing the obligations of the Bank has been shortened, etc.);
 - 2.1.2. If amendments to the Terms or changes in the Bank's Price List 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 Price List 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 Price List enter into force, the Bank shall publicly (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 Laws defines a shorter term of implementation of the amendments and changes or the Bank's Price List is being lowered. The Bank may inform Clients individually, if the Bank considers it necessary.
 - 2.2.1.1. The changes in Bank's Price List and amendments to the Terms shall be considered agreed upon, if until the effective date of the changes in the Bank's Price List 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 Price List.
 - 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 Price List.
- 2.3. After becoming effective, the amendments of the Terms and/or changes in the Bank's Price List mentioned in clause 2.2., shall be added to the Agreement as its integral part.
- 2.4. If the Bank receives a Client's statement in which he or she disagrees with the changes in the Bank's Price List 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. In this case, the Commission fee for the closure of the account is not applied.
- 2.5. In case of any amendments to the Terms or changes in the Bank's Price List, the Bank shall publish the relevant information on the Bank's home page www.magnetiqbank.com, as well as making it available at 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 Price List.
- 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 on:
 - 3.1.1. the business activity of the Client or its business partners;
 - 3.1.2. Transactions, which are executing using the Current account in the Bank;
 - 3.1.3. 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. compliance of the Bank's operations in regards to the business activity of the Client or the Client's business partners;
- 3.1.5. any other information necessary for the Bank to duly fulfill requirements regarding the prevention of money laundering and terrorism and proliferation financing.
 - 3.1.5.1. The Client, who is a payment service provider or handles funds of third parties, is obliged to notify the Bank immediately, without the Bank's invitation, of known or suspected customers and business partners and/or their activities related to money laundering and terrorist and proliferation financing, circumvention of national or international sanctions, or the performance of any activity that may damage the Bank's reputation and/or cause it damage
- 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 whose interest the 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 the Client is obliged to submit documents and additional information on the Client/Payment card user within 5 (five) Business days, so that the Bank could inspect and confirm the rights of this natural and legal persons, their personal and business activities as well as 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 resulting from the Client providing delayed, false, counterfeit or incomplete 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, as well as legalized or certified with an "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 the 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 a registered letter, submits in person receiving a signature confirming receipt at any Service Center, or electronically by submitting the information via the Internet bank (if the Parties have concluded an Agreement on use of Internet bank) or sending an e-mail to the Bank's e-mail address info@magnetiqbank.com or the respective e-mail address of the Bank's employee servicing Clients, which is registered under the domain @magnetiqbank.com;
 - 3.9.2. the Bank on its own volition 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

electronically by sending the notification via the Internet bank (if the Parties have concluded an Agreement on use of Internet bank) or by e-mail to the Client's e-mail address registered in the Bank's system.

- 3.9.3. In case of general information, the Bank may post unsigned information on the Bank's home page or send it to the Client by e-mail.
- 3.9.4. In urgent cases, e.g., such as security threats or unforeseen technical problems, communication shall take place by telephone or by any other means that can be accessed expeditiously.
- 3.9.5. E-mails received at the bank without a secure electronic signature or from an e-mail address not registered with the Bank shall not be deemed binding.
- 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 7th (seventh) day from the moment when the delivery was submitted to the post office, if there is no evidence of earlier receipt.
 - 3.10.4. If sent by e-mail – on the day when the requirements for the receipt of electronically signed letters specified in the Applicable Laws are met.

4. Confidentiality

- 4.1. The Bank guarantees to keep secret Client's accounts, person, deposits and business data in accordance with the Applicable Laws.
- 4.2. The Bank has the right to provide the Client's data to:
 - 4.2.1. persons with whom the Bank has concluded an agreement on providing services, which are necessary to perform Bank's operations;
 - 4.2.2. 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;
 - 4.2.3. other third persons, if the Client has not properly fulfilled his obligations towards the Bank;
 - 4.2.4. third persons to provide service or fulfill the Bank's obligations;
 - 4.2.5. persons, who have the right to request information in accordance with the normative acts of the LR;
 - 4.2.6. 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 Laws.
- 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, CVC2, Payment card number, Internet bank password and other security measures, or the Internet Bank 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 Price List

- 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 Price List and in accordance with the Terms, except when the amount 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 Price List or an agreement concluded between the Parties, taking into 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 Price List, 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 Price List 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.magnetiqbank.com.
- 5.7. The Bank has the rights to set an adequate and fair remuneration for services which were not included in the Bank's Price List, 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 some 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 Price List before providing the respective Bank's service.
- 5.10. The Client irrevocably authorizes the Bank to withdraw or block commissions and amounts of Bank's expenses that are already owed or will be owed in the future to the Bank from the Account at any time and, in case it is necessary, to perform currency exchange according 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 payment 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 Price List;
 - 5.11.3. the fee for services of third person which are not included in the Bank's Price List but which 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 owed 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 obligations 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 corresponding 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 Price List 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 stipulated 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 natural 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, if an authorized person manages the Account, 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 natural person), who is included in the Signature and seal specimen card, if an authorized person manages the Account, 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 chapter 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 authorized representative, as 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 a 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 representative's 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 out 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.
- 6.12. Issued Power of attorney can be revoked by either visiting the Bank in person, sending the revocation of Power of attorney via Internet Bank, or by drafting the revocation of Power of attorney as notarial deed and sending it (document original) via mail to the registered address of the Bank.

7. Client identification

- 7.1. To identify a natural person for the first time, the Bank accepts a passport or an identity card for identification. For identification of foreign citizens for the first time, the Bank shall accept only passports issued by the country of the relevant citizenship, but for citizens of EEA or Swiss Confederation, passports or identity cards issued by the country of the relevant citizenship.
 - 7.1.1. Client is obligated to inform the Bank on expiration or change of the Client's or the Client's representative's identification document, as well as to immediately present the original of a valid identity document to the Bank.
 - 7.1.2. The Bank has the right to request additional identification document while following the identification procedure as set in the Applicable Laws.
- 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 with a person's request to use Voice password, 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 parties or if the Client suspects that it has become known to third parties, the Client or Client's representative is 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 and content 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, subject to the retention periods for data and documents set out in the Applicable Law, while the Agreement is in force, and after its termination, as well as within the order provided by in the Applicable Laws to request and receive the mentioned data and other information (for example, on Client's representative, user of Payment card, Identification device or Internet Bank 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 personas 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.

- The processing of personal data in the Bank is performed in compliance with the Applicable Laws and in accordance with the Personal Data Processing Policy, which is available on the Bank's website - www.magnetiqbank.com;
- 8.2.5. to change the currency exchange rates at any time and to ensure their availability at the Service Centers as well as at the Bank's home page - www.magnetiqbank.com;
 - 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 the timely execution of Payment Orders in accordance with the Applicable Laws 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 beyond the Bank's will and control;
 - 8.3.4. the Bank is not responsible for losses incurred by the Client due to the 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 been incurred by 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 committed gross negligence while identifying the person in verifying the third person's 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 the mistakes, payment delays, inadequacy and other defects, which have 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 on himself/herself;
 - 8.4.2. to provide true and exhaustive 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 and proliferation financing, violation or circumvention of Sanctions, or performance of any activities in the Bank that may endanger its reputation. The Client, who is a payment service provider or handles the funds of third

- parties, shall ensure the compliance of the activities of its cooperation partners and customers with the provisions of these Regulations;
- 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 Price List;
 - 8.4.10. the Client is liable for the legality of all his performed actions (including inaction), all performed Transactions and losses, which have 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 using 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 that Agreement;
 - 8.4.13. to immediately inform the Bank in writing on all changes in information, which the Client has submitted to the Bank;
 - 8.4.14. to immediately inform the Bank on any unauthorizedly performed Bank's operation as well as on any Bank's mistake or inaccuracy while executing the Client's orders. Not to perform Transactions in which the Transaction authorization is not requested, as stated in the Terms. By performing such Transactions, the Client assumes all risk of losses as a result of such Transaction;
 - 8.4.15. to keep up with 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 identity code and Voice password, by calling to the phone number (+371) 67772999 or informing the Bank in person by visiting any of the 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. *(Excluded)*;
 - 8.4.18.1. *(Excluded)*;
 - 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 Laws 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 caused 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.
- 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

- 9.1. *(Excluded)*.
- 9.2. *(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 in the Republic of Latvia, applying the law of the Republic of Latvia in the following courts:
 - 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 Latvian Association of Commercial Banks (Riga, Blaumana street 38/40-1, 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. *Natural person* – name, surname, personal identity number or the CIF number of the Client, residence address and contact information;
- 9.9.1.2. *Legal person* – name, registration number or the CIF number of the Client, registered address and contact information;
- 9.9.2. date when the Complaint has 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/Client's representative;
- 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 confirm and justify the Complaint.
- 9.10. The Bank accepts Complaints only from the Client/Client's representative.
- 9.11. The Client/Client's representative 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 registered address: Brivibas street 54, Riga, LV-1011. The complaint must be signed by the Client and the signature certified by a notary public, if the Complaint includes a request to provide confidential information regarding the Client;
- 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@magnetiqbank.com. The Complaint must be signed electronically;
- 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. The following information should be included in the revocation of the Complaint:
- 9.13.1. Information about the person submitting the Complaint:
- 9.13.1.1. *natural person* – name, surname, personal code or CIF number of the Client, place of residence and contact information;
- 9.13.1.2. *legal person* – name, registration number or CIF number of the Client, registered address and contact information;
- 9.13.2. Date of the revocation of the Complaint;

- 9.13.3. Information on whether the Complaint is being revoked in full or information to what extent the Complaint is being revoked, if the Complaint is being only partly revoked;
- 9.13.4. The Client/Client's representative signs revocation of complaint in paper form.
- 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 Price List 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 substantiated response, the Bank shall stop reviewing such Complaint and inform the Client of 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 of 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 not later than within 15 (fifteen) business days from the date of receipt of the Complaint:
- 9.17.1. *(Excluded)*;
- 9.17.2. *(Excluded)*.
- 9.18. If it is not possible to comply with the term specified in clause 9.17. due to objective reasons, the Bank is entitled to prolong such term, for a total term not exceeding 35 (thirty five) Business Days from the date of receipt of the Complaint, by notifying the person filing the Complaint about it in writing (via the same means as providing a response to the Complaint), if the Applicable laws do not provide for a longer term.
- 9.19. The Bank shall provide responses to the Client in the following manner:
- 9.19.1. if the Complaint is received via Internet Bank, the Bank shall send the response to the Client via Internet Bank;
- 9.19.2. if the Complaint is received in paper form, the Bank shall send the response to the Complaint in a letter by mail to the address that is specified in the Complaint as the correspondence address. If there is no address indicated, the Bank shall send it to the address that is indicated in the Bank's system as the correspondence address;
- 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 Finance Latvia Association Ombudsman (<https://www.financelatvia.eu/en/ombudsman/>), who shall review the claim within its area of 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 (<http://www.ptac.gov.lv/en>) within 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 Bank of Latvia (<https://www.bank.lv/>), within 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. If the Data subject considers that their personal data is being processed in violation of the requirements of the Applicable Law, they have the right to submit a complaint to the Data State Inspectorate (www.dvi.gov.lv/en/).
- 9.20.5. 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.
- 9.20.6. 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. *(Excluded)*.
- 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. If the termination of the Agreement has been initiated by the Client and the Client has no outstanding obligations to the Bank, the Agreement may be terminated without waiting for the expiry of the notice period.
- 10.2. *(Excluded)*.
- 10.3. The Bank has the right to unilaterally block any of the Client's Accounts or unilaterally terminate the Agreement with immediate effect and without providing previous notice, by blocking any or all Clients 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 suspicions that the Client or the funds in his Current Account or the Client's transactions are related with money laundering or terrorism or proliferation financing or the violation or circumvention of Sanctions, or attempts; thereof
- 10.3.3. if the Client's economic activity and/or the persons involved in it or the Client's cooperation partners may create an unacceptable reputational risk for the Bank;
- 10.3.4. 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;
- 10.3.5. If the Client has performed or tried to perform any fraudulent actions against the Bank, any of its clients or has used the Bank's operations for such actions;
- 10.3.6. 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;
- 10.3.7. In cases mentioned in the Applicable Law, in cases of decisions of any state authorities, international organizations or correspondent banks that affect the performance of the Agreement;
- 10.3.8. if the Client allows or has allowed, in the Bank's view, unethical behavior towards the Bank, or gives the Bank a reason to consider future cooperation with the Client as disrespectful or offensive to the Bank's reputation
- 10.3.9. If the Bank has acquired information about the fact of death of a Client (a natural person) or the liquidation/reorganization of a Client (a legal person);
- 10.3.10. If the Client violates Clause 8.4 of the Terms.
- 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 Price List.
- 10.7. Upon the closing of the Account on the Bank's initiative, the Client is obliged within 30 (thirty) calendar days to submit to the Bank an application for the transfer of the remaining funds in the Account to be closed. The funds in the Account to be closed may be transferred, with the approval of the Bank, and in accordance with the procedures laid down in the Applicable laws, to the Client's current account at another financial institution or credit institution, or to another person's account at another financial institution or credit institution. or to the account from which they were previously received. Disbursement in cash is possible only with the consent of the Bank, if the total amount to be disbursed does not exceed the amount specified in the Applicable Laws.
- 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 financial institution 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 Price List;
- 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;
- 10.7.4. If the Bank is not able to ensure the balance of the Account to be closed in the respective currency, the currency is not available or its circulation is restricted, the Bank has the right to unilaterally convert the Account balance into EUR at the exchange rate set by the Bank on the day of execution.
- 10.8. If the Client has financial instruments, then, upon the closing of the Account (except if the Account is being closed in accordance with Clause 10.3 of the Terms), they are transferred into another account or another credit or financial institution in accordance with information provided in the Client's Application.
- 10.8.1. If the Client has financial instruments and the Account is being closed in accordance with Clause 10.3 of the Terms:
- 10.8.1.1. the Bank, in accordance with the Client's Application, transfers the financial instruments to another credit or financial institution;
- 10.8.1.2. if it is not possible to comply with sub-clause 10.8.1.1. or the Client indicates in the Application that he wants the financial instruments to be sold, the Bank has the right to sell them at market value, and the Bank handles the obtained funds in accordance with the procedure specified in Clause 10.7 of the Regulations. If the sale is not possible, the Bank has the right to write off financial instruments
- 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.
- 10.10. If the Client receives other services from the Bank and the Account is closed on the basis of Clause 10.3 of the Terms, the Bank shall unilaterally determine the

deadlines for the services provided by the Bank, unless otherwise provided in the Special Agreement or Applicable Law.

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 a 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 confirms that they are informed 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, the Client must fill out the Application and submit to the Bank all requested documents.
- 12.2. Upon receipt of the Application and other necessary documents, the Bank's employee shall acquaint the Client with the information on the procedure for the provision of the Bank's services, as well as the Terms and the Bank's Price List.
- 12.3. The Application is considered as the Client's offer to conclude the Agreement, in accordance with the Terms and the Bank's Price List.
- 12.4. The Bank, after the receipt of the Client's Application and the necessary documents for the commencement of examination, examines the Application and documents attached thereto within 5 (five) business days, 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;
 - 12.4.2. If the Account 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. (*Excluded*).
- 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 Price List, in accordance with the annual interest rate set in Bank's Price List, assuming that there are 360 days in a year. GBP 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 in the Bank's Price List and the Bank maintains the right to apply prepayment.

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, as well as approval on transferring of the Client's personal data to the receiving party of the Payment.
- 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 Laws 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 and Electronic Money.
- 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.

13.16.1. Bank shall have the right to reject execution of a Payment Order, if due to objective reasons such execution is not possible and, if Applicable laws do not stipulate mandatory execution of the payment. The Bank shall immediately notify the Client on the reasons for such rejection.

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 **European or Budget 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 – EUR (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 bank's correspondents. If the Payment is executed in RUB currency, it is mandatory to indicate the Beneficiary bank's or its correspondents BIK (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 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.181-I of the Central Bank of Russia of 16.08.2017. (код валютной операции в соответствии с инструкцией Банка России № 181-И от 16.08.2017.)) 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 European or Budget 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 Magnetiq Bank 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 States 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 the countries of the European Union: Austria, 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 States currencies²: EUR, DKK, 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 States 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 Price List 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 Price List 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** – Payment, that is executed within 1 (one) hour only after agreeing on such execution with the Bank (by agreeing on such execution with an employee of the Bank). Express Payment execution is possible only in currencies, for which Express urgency option is provided in the Bank's Price List. 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 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). 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 European or Budget 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 deduct from the returned amount the expenses incurred by the Bank in connection with the return of this amount, insofar as the amount of these expenses can be clearly 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 Laws 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 or proliferation 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 provided all requested information to the Bank. Consent to execute Payments may also be given through the payee or the payment initiation service provider, in accordance with the procedures specified in the Applicable Laws.
- 13.28. **Provisions for European and Budget 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 Price List.
- 13.28.1.2. In case the account indicated on the Payment Order is closed or blocked for outgoing Payments, as well as, if the Client does not submit documents confirming transactions, or incomplete Payment details are indicated, the Bank has the right to reject the Payment order.
- 13.28.2. **Incoming Payments**
- 13.28.2.1. The Bank credits to the Client's Accounts the 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. The Bank shall execute the Payment Order, which is accepted by the Bank for incoming Payment, on the respective date when the Payment Order was accepted by crediting 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, as well as, if the Client does not submit documents confirming transactions, or incomplete Payment details are indicated, the Bank has the right to reject the Payment order.
- 13.28.2.5. If purpose of Payment, IBAN of receiving party, or name of receiving party is inaccurately indicated in the Payment Order, the Bank withholds commission for processing of Incoming payment in accordance with the Bank's Price List.

13.28.2.6. If currency of funds indicated in the Incoming Payment Order, as received within the SWIFT system, is different from the account currency of the receiving party, the funds shall be credited to the indicated account and the Bank shall perform conversion of the funds applying the Bank's standard exchange rate on the actual Payment execution date. If the currency of the funds indicated in the Incoming Payment Order received in the SEPA system differs from the currency of the beneficiary's account, the funds will be credited to the Client's EUR Account

13.29. Provisions for International Payments:

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 Price List. The degrees of Payments urgencies and the Acceptance deadline are set in Bank's Price List.

13.29.1.2. In the event of the account indicated on the Payment Order is closed or blocked for outgoing Payments, as well as, if the Client does not submit documents confirming transactions, or incomplete Payment details are indicated, the Bank has the right to reject the Payment order the Bank has the right to reject Payment Order.

13.29.2. Incoming Payments

13.29.2.1. The Bank credits the 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. The Bank executes the Bank's accepted Payment Order for incoming Payment 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 credit the Funds to the Client's account, if the information requested in regards to the Payment Order is insufficient.

13.29.5. In the event of the account indicated on the Payment Order is closed or blocked for outgoing Payments, as well as, if the Client does not submit documents confirming transactions, or incomplete Payment details are indicated, the Bank has the right to reject the Payment order the Bank has the right to reject Payment Order.

13.29.6. If purpose of Payment, IBAN of receiving party, or name of receiving party is inaccurately indicated in the Payment Order, the Bank withholds commission for processing of Incoming payment in accordance with the Bank's Price List.

13.29.7. If currency of funds indicated in the Incoming Payment Order is different from the account currency of the receiving party, the funds shall be credited to the indicated account and the Bank shall perform conversion of the funds applying the Bank's standard exchange rate on the actual Payment execution date.

13.30. Payments within the framework of the Bank: „Intra-bank” and „Between my accounts”

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 Price List.

13.30.2. In the case of intra-bank Payment Orders made in the Internetbank between the Client's accounts, authorization of the Payment Order using an Identification tool is not required, and they can be executed continuously even after the Bank's working hours.

13.30.3. *(Excluded).*

13.30.4. If currency of funds indicated in the Incoming Payment Order is different from the account currency of the receiving party, the funds shall be credited to the indicated account and the Bank shall perform conversion of the funds applying the Bank's standard exchange rate on the actual Payment execution date.

13.31. *(Excluded)*

13.31.1. *(Excluded)*

13.31.2. *(Excluded).*

13.31.3. *(Excluded).*

13.31.4. *(Excluded).*

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 identity of the authorized person of the Client, the validity of the Payment Order for cash pay-out or validity of will be 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 on the date indicated on the Payment Order for 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 Price List 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 returned 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 been credited for 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 Price List and covers the Bank's expenses, which are related to the Payment Order revocation and returning 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 Price List 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;

15.1.5. to the Client's e-mail address indicated to the Bank.

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 Laws or by these Terms, may temporarily 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 Laws 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 Price List. 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 suspicions that the Client or Funds in the Current Account or Client's transactions relate to money laundering or terrorism or proliferation financing, violation or circumvention of Sanctions or performance of any activities in the Bank;
 - 16.9.4. if the Client's economic activity and/or the persons involved in it or the Client's cooperation partners may create an unacceptable reputational risk for the Bank;
 - 16.9.5. 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;
 - 16.9.6. 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;
 - 16.9.7. In other cases, specified in the Applicable Laws.
- 16.10. Upon the Client's request, the Bank shall constantly provide the Client in the Bank's Client service centers and Bank's webpage www.magnetiqbank.com with the following information on providing the service of account change in LR:
- 16.10.1. The Bank within 2 (two) working days after the demand for account change has been accepted by the Bank, shall send a request to the Delivering payment service provider to perform the tasks indicated in the demand for account change. Upon receipt of the demand for account change, the Delivering payment service provider verifies whether any Excluding circumstances applies for the account change;
 - 16.10.2. If Excluding circumstances are applicable for the account change, the Delivering payment service provider shall inform the Bank within 5 (five) working days that the change of payment accounts is not possible, by informing on the reasons, which the Bank may disclose only to the Client;
 - 16.10.3. If no Excluding circumstances are applicable for performing of the tasks indicated in the account change demand, the Delivering payment service provider performs the following operations in accordance with the information indicated in the demand for account change:
 - 16.10.3.1. Within 5 (five) working days provides the Bank with information on the Client, including information on incoming credit transfers performed in the Client's payment account for the last 13 (thirteen) months and their periodicity;
 - 16.10.3.2. Stops accepting incoming credit transfers to the payment account on the date indicated on the demand for account change, if automated transferring of incoming credit transfers to the payment account with the Bank indicated in the demand of account change cannot be ensured. Delivering payment service provider may offer the Client to provide a service - after suspending payments, for six months to inform the payer or the payee on the reason for not accepting the payment;
 - 16.10.3.3. On the date indicated in the demand of account change, transfers any remaining positive balance from the payment account of the Delivering payment service provider to payment account, that is opened in the Bank;
 - 16.10.3.4. On the date indicated in the demand of account change, if the Client has no remaining obligations related to the said payment account and operations mentioned in Clauses 16.10.3.1 and 16.10.3.3 have been completed, closes the payment account. If such remaining obligations do not allow to close the Client's payment account, the Delivering payment service provider immediately informs the Client.

- 16.10.4. Within 5 (five) working days after the Bank has received the requested information from the Delivering payment service provider, the Bank in accordance with information indicated in the demand for account change and additional received information, within 5 (five) working days sends the Client a standard letter providing more detailed information on the payment account.
- 16.10.5. Commission fee for the account change service is set in the Bank's Price List.
- 16.10.6. Dispute resolution without involvement of Court is described in Clause 9 of the Terms.
- 16.10.7. The Bank is a participant of the Deposit guarantee fund.
- 16.11. If the Client turns to Bank to open a payment account in another member state, the Bank, after receiving a respective request, acts as follows:
- 16.11.1. Provides the Client with a list in which information on the periodically incoming credit transfers in the Client's payment account for the previous 13 (thirteen) months is indicated;
- 16.11.2. Transfers any positive balance available in the Client's payment account to the payment account which the Client has opened or holds with the new payment service provider, if the Client's demand includes all the necessary data to identify the new payment service provider and Client's payment account;
- 16.11.3. Closes the Client's payment account.
- 16.12. The Bank performs operations mentioned in Clauses 16.11.1-16.11.3 of the Terms on the date which the Client has indicated and which is at least 6 (six) working days after the Bank has received the Client's demand, if the Client does not have remaining obligations related to the usage payment account, and, if the Client and the Bank have not agreed otherwise. The Bank immediately informs the Client if the Client has remaining obligations related to the usage payment account, that do not allow the closure of the payment account.
- 16.13. The Bank performs operations mentioned in Clauses 16.11.1 and 16.11.3 of the Terms free of charge. If the Bank provides information mentioned in Clause 16.11.1 in a language different from the language indicated as communication language in the standard agreement, the Bank shall have the right to apply commission fee for preparing the documents in a different language.
- 16.14. The Bank shall not ensure execution of all operations mentioned in the Client's demand for account change, if within those operations such services will be indicated, which the Bank does not provide to its Clients (e.g. regular payments, e-invoices, direct debit payments).

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 Price List for settlement with Funds in the Payment Card account or expenses using Credit limit, unless the Parties have agreed otherwise.
- 17.3. *(Excluded)*.
- 17.4. Commission fee for usage of the Payment Card is set in the Bank's Price List.
- 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 3 (three) additional currencies to the primary currency, which the Client may choose from these currencies - USD, GBP, CHF.
- 17.9. Bank sets the following currency priorities:
- 17.9.1. 1. EUR, 2. USD, 3. GBP, 4. 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 Payment card account is negative or the Client has exceeded 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 code 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 Payment card 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, except in cases where a Transaction has been made using contactless function of the Payment card.
- 18.20. While performing Transactions on the Internet, the Payment Card user must enter CVC2 code, or any other information that is required for authorization.
- 18.20.1. During 3D Secure authorization process, the Payment card user enters the One-Time Security Code in the webpage provided by the Bank. The code is generated in the Identification tool, which the Client has linked to his relevant Payment Card via Internet Bank.
- 18.20.2. 3D Secure authorization is requested, if the internet merchant has provided relevant technical solution. In other cases, 3D Secure authorization is not performed.
- 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 regarding the need to activate the function for foreign transactions on the Internet.
- 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 Price List.
- 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.
- 18.28.1. All Transactions that are made with Payment card using contactless function within the set limits, shall be considered as authorized;
- 18.28.2. If the Payment Card of the Client has been lost, Transactions with the Payment Card using contactless function within the set limits, shall be considered as authorized until the moment when the Bank will have received the Client's notification on blocking the Payment Card;
- 18.28.3. Online Transactions that are confirmed with 3D Secure shall be considered as authorized by the Payment Card user and cannot be disputed as unauthorized Transactions, unless before the authorization of the Transaction the Bank has received the Client's notification on blocking the Payment Card, in accordance with Clause 8.4.17 of the Terms.
- 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 perform Transactions with contactless Payment Card, not to sign, nor confirm with PIN-code invoices, which do not contain, or contains incorrectly displayed Transaction amount;
 - 19.2.7. Not to disclose to third persons 3D Secure confirmation code;
 - 19.2.8. not to perform Transactions in which the Transaction is not required to be authorized, in accordance with the Terms. By performing such Transactions, the Client assumes all risks of the Client's losses as a result of such Transaction;
 - 19.2.9. If the Payment Card User attaches the Payment Card to an online payment instrument, to read the Terms of the payment instrument service provider, including the consent to the disclosure of information on the Payment card account balance and further Transaction authorization.
- 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 Price List, 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 Price List.
 - 19.3.6. If the Client finds an unauthorized or a erroneous payment 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 must immediately, but no later than 13 (thirteen) months from the date when the funds were debited from the account, informs the Bank on it in writing or via Internet Bank.
 - 19.3.7. The Bank shall immediately, but not later than by the end of the next business day, repay the Client for losses by reimbursing the amount of the unauthorized payment or restoring the Client's Payment Card account from which this amount was debited to the condition before the unauthorized

payment, unless the Bank has reasonable suspicions that the Client has acted unlawfully, and the Bank has notified the Financial and Capital Market Commission of such suspicions..

- 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 has occurred due to the usage of the Payment Card, except in cases when these Terms or the Applicable Laws 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 Price List.
- 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, or without notifying the Client, if any circumstances stipulated in Clause 10.3 of the Terms have occurred.
- 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).

20.6. The Bank shall have the right to introduce new Payment Card security solutions without the approval of the Client and without amending the Agreement, if, as a result of these solutions, the Client will not be obligated to pay additional fees.

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 Price List;
- 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 Price List, 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 Price List. Interest rate on exceeded Credit limit is determined in accordance with the Bank's Price List 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 Price List 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 Price List.
- 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 Price List.
- 21.24. For late payments the Bank calculates penalty interest, the amount of which is set in the Bank's Price List.
- 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 Price List, 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.

21.27. The Credit Limit repayment term is the validity period of the Payment Card to which the Credit Limit has been granted. When issuing a new Payment Card or extending its validity term, the Credit Limit term is extended to the next Payment Card validity term.

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, salaries 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. *(Excluded)*.

22.5. *(Excluded)*.

22.6. *(Excluded)*.

22.7. *(Excluded)*.

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 has ensured the deposition of the Sum in the Client's Current account.

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, requirements of sub-clause 24.3. of the Terms have been fulfilled and are in force until full fulfillment of the Parties' obligations.

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

- 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. If the Applicable Laws imposes an obligation on the Bank, the Bank shall withhold income tax.

26. Returning of the Term deposit amount

- 26.1. The Bank returns 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 requests 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 the 10-day (ten) notification term has not been followed, the eleventh day after receipt of the respective Application in the Bank).
- 26.2. If the Term 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 Term deposit amount annual Interest rate shall not be calculated.

- 26.4. If the Client wishes to receive the Term deposit amount before the term of Term 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 Term deposit. In such event - the Bank no longer calculates the Term 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 Term deposit amount before the term, the Bank will apply a commission fee for early termination of the Term Deposit Agreement in the amount of 3% (three percent) of the Term deposit amount for an earlier return of the Term deposit amount if the Applicable Laws does not set a limit on the amount of the commission. The commission fee is not less than the calculated Interest.
- 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.magnetiqbank.com) 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 Price List 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 Price List.

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 registering of a mobile phone number for receiving the One-Time Security Code, receiving of the One-Time Security Code and Identification device (DigiPass) is set in the Bank's Price List.
- 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 Price List.
- 29.3.4. The Bank ensures free operation and availability of Magnetiq Bank mobile app mobile application for download on the Internet.
- 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 (One-Time Security Code (mobile phone number for receipt of the One-Time Security Code), Identification device (DigiPass), and/or receiving Magnetiq Bank mobile app Control number) 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. A copy of an identification document of the Internet Bank must be submitted to the Bank. Magnetiq Bank mobile app can be activated at any time after activating the Account by performing the necessary actions in the Internet 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 tool and/or the Identification tool in the following cases:
- 30.6.1. if the Client has requested it by visiting the Bank in person, submitting an application in Internet Bank or calling to the phone number of the Bank:
- 30.6.1.1. in the event mentioned in clause 8.4.17. of the Terms;
- 30.6.1.2. in other cases.
- 30.6.2. The Identification tool shall be blocked automatically, if:
- 30.6.2.1. while authorizing in Internet Bank 5 (fives) times in a row the following 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 while authorizing in Internet Bank, or
- 30.6.2.1.3. generated code for document signature.
- 30.6.3. Access to Internet Bank shall be blocked automatically:
- 30.6.3.1. If the Client's – legal person's Internet Bank users' term of authorization, 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;
- 30.6.3.2. In other cases, in accordance with the Agreements concluded between the Parties or the Applicable Law.
- 30.6.4. *(Excluded)*;
- 30.6.5. If the Client in the Internet Bank enters the incorrect One-Time Security Code 5 (five) times in a row (the option of sending the One-Time Security Code to the Client's mobile phone number indicated in the Bank's system will be blocked), or incorrectly enters Magnetiq Bank mobile app PIN number (Magnetiq Bank mobile app is suspended until re-registration).
- 30.7. Access to the Internet Bank that has been blocked and/or the Identification tool 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 to the Bank a written Application. Magnetiq Bank mobile app is unblocked in the Internet Bank. If the access was blocked in accordance with clauses 30.6.1.2, 30.6.3.1 or 30.6.3.2, to unblock it the Client must additionally 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 or access to the blocked Identification tool, 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.
- 30.9. If the Client enters incorrect user's password, the Client will not receive the One-Time Security 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 has not been 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 Price List.
- 32.9. The Bank stops 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 Current account for authorized capital depositing. The rights and obligations of the founder of the Client. Closure of the Current account for authorized capital depositing

- 33.1. Current account for authorized capital depositing is opened for the purpose only to transfer the Client's equity capital.
- 33.2. The Current account for authorized capital depositing is opened in accordance with the provisions of the Current account opening.
- 33.3. A current account for the transfer of share capital is opened with the base currency EUR. The founder of the Client or an authorized person drawn up in the form of a notarial deed may pay / transfer the amount of the share capital. The Bank has the right to refuse to open a Current Account for the transfer of share capital without explaining the reasons.
- 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 or rejection of registration in the Register of Enterprises of the Republic of Latvia.
- 33.5. **After registration of the Client** in the Register of Enterprises of the Republic of Latvia:
 - 33.5.1. the Client's authorized person, or 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 Current account for authorized capital depositing. The Bank has the right to refuse to open a Current Account without explaining the reasons. Upon receipt of the information on the refusal, the Client's representative or a person authorized in the form of a notarial deed shall submit a Payment Order to the Current Account for transferring the remaining funds to the Client's current account with another payment service provider. If the Client does not have another current account, the Client gives an order to transfer the funds to the Account from which they were previously received. Cash disbursement is possible only with the consent of the Bank.
 - 33.5.2. If the Client **does not wish** to continue cooperation with the Bank, the Client's representative or a person authorized in the form of a notarial deed shall submit to the Bank an Application for termination of Banking services and a Payment Order to the Current Account for transfer of remaining funds to the Client's current account with another payment service provider. If the Client does not have another current account, the funds shall be transferred to the account from which they were previously received. Cash disbursement is possible only with the consent of the Bank
- 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 Current account for authorized capital depositing 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 2 (two) months from the deposit/transfer of equity capital to the Current account for authorized capital depositing the remaining funds in the Current account for authorized capital depositing 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 Price List. 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 Current account for authorized capital depositing, may

receive it only after submitting an Application to terminate the provision of the Bank's services.

- 33.7. The Bank has the right, without prior warning to the Client's founder, to unilaterally close the Current account for authorized capital depositing, if the Client's founder within 2 (two) months after the deposit of equity capital to the Current account for authorized capital depositing 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..
- 33.8. *(Excluded)*.
- 33.9. Upon the closure of the Current account for authorized capital depositing the Client's founder is charged with all commission fees that had to be but were not received by the Bank until the Current account for authorized capital depositing closure.
- 33.10. *(Excluded)*.
- 33.11. When closing the Current account for authorized capital depositing, the documents which the Client's founder has submitted to the Bank before opening of the Current account for authorized capital depositing or during the period of its operation, shall not be returned to the Client's founder.
- 33.12. The Current account for authorized capital depositing shall be closed only when obligations established in relation to the use of the Current account for authorized capital depositing 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 67772988 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 CIF 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 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 Price List. 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 conclusion of the Transaction, the Client has the right to request information from the Bank about the possible Transaction, including foreign currency quotations. The information, 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. *(Excluded)*.
- 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. Service "Telephone banking" is a possibility for the Client to communicate with the Bank via phone and, by performing identification, to receive information about the Client.
- 35.1.1. *(Excluded)*;
- 35.1.2. *(Excluded)*.
- 35.2. Service "Telephone banking" is available to all Clients of the Bank without prior application.
- 35.3. Via "Telephone banking" service the Client is able to perform the following Bank's operations:
- 35.3.1. *(Excluded)*;
- 35.3.2. *(Excluded)*;
- 35.3.3. Providing, requesting and receiving of information on the Client and balance of the Client's Accounts;
- 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. Service "Telephone banking" does not provide the possibility to perform Banking operations.
- 35.5. The Client receives the "Telephone banking" service if the Client has called the Bank to the Telephone banking phone number, indicated on the Bank's website - www.magnetiqbank.com during the business hours of the Bank, and have performed identification.

- 35.6. The Client's identification for receiving the "Telephone 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 receive the "Telephone 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.
- 35.10. While using the service "Telephone banking", as well as during an ordinary phone conversation or using an alternative means of electronic communication, the Client is informed that his personal data is provided to the Bank, as well as further recording and usage of the conversation in accordance with the Applicable laws.

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 Payment Current account at the Bank, completed the Application for Safe-deposit box rental and paid the fee indicated in the Bank's Price List 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, by paying a penalty fee, which is set in the Bank's Price List for each day in delay, starting from the expiration date of the Safe-deposit box rental Agreement. If the Safe-deposit box rental Agreement is prolonged no later than within 30 (thirty) calendar days after its expiration date, the penalty fee is not applied.
- 36.3. After the Safe-deposit box rental Agreement has expired, if all provisions of the Terms have been complied with, the content of the Safe is returned in person to the Client/Client's representative or person, who is indicated as authorized person to submit the Safe-deposit box key and receive its content in a notification sent via Internet Bank by the Client/Client's representative, after returning the Safe-deposit box key.
- 36.4. When concluding the Safe-deposit box rental Agreement, the Client pays the Safe-deposit box rental fee, which is indicated in the Bank's Price List 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.
- 36.5. The Client has the right:
- 36.5.1. to terminate the Safe-deposit box rental Agreement at any moment before the end of the rental period, by filling and submitting in person to the Bank a respective Application, sending a respective Application via Internet Bank or sending a document on termination of the Safe-deposit box Agreement,

- which is drafted as notarial deed, to the registered address of the Bank, and by providing the Safe-deposit box key to a representative of the Bank;
- 36.5.2. 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;
 - 36.5.3. to deliver to the Bank the Client's Safe-deposit box key for safekeeping, paying the respective commission;
 - 36.5.4. to access the Safe-deposit box unlimited amount of times during the Business hours of the Bank, after complying with the Bank's requirements for the Client's identification.
- 36.6. The Client is obliged:
- 36.6.1. 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 36.6.6.1 of the Terms, as well as to comply with the instructions of the Bank's employee on being in the Safe room;
 - 36.6.2. Upon termination of the Agreement, immediately vacate the Safe-deposit box and hand over the keys to the Safe-deposit Box;
 - 36.6.3. 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 Client's or its representatives' identification and verification of powers, or verification of its validity;
 - 36.6.4. To pay the fees that are set in the Bank's Price List 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;
 - 36.6.5. 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 or brought into the Safe room.
 - 36.6.6. It is prohibited for the Client:
 - 36.6.6.1. 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;
 - 36.6.6.2. To make duplicates of the Safe-deposit box key;
 - 36.6.6.3. To hand over the Safe-deposit box keys to persons, who are not authorized to store the Safe-deposit box keys.
- 36.7. The Bank has the right:
- 36.7.1. according to chapter 10 of the Terms, to early terminate the Safe-deposit box rental Agreement in the following cases:
 - 36.7.1.1. 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;
 - 36.7.1.2. if on the basis of a valid court judgment it is requested to open the Safe-deposit box;

- 36.7.1.3. if the Client has lost the Safe-deposit box key and requests the Bank to open the Safe-deposit box;
- 36.7.1.4. if the Client's Account is closed on the basis of the Applicable Laws in the field of prevention of money laundering and terrorist and proliferation financing.
- 36.7.2. to open the Safe-deposit box without the presence of the Client in the following cases:
 - 36.7.2.1. if it is requested on the basis of a valid court judgment;
 - 36.7.2.2. if it is requested by the Client's representative, who is authorized in accordance with sub-clause 6.1 of the Terms;
 - 36.7.2.3. 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;
 - 36.7.2.4. 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.
- 36.7.3. while performing activities set in sub-clauses 36.7.2.1, 36.7.2.3, 36.7.2.4 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.
- 36.7.4. after fulfillment sub-clause 36.7.3 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.
- 36.7.5. 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 36.7.4 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".
- 36.7.6. 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 Price List.
- 36.7.7. before visiting the Safe-deposit box, set restrictions on visiting the Safe room in relation to the items that the Client wishes to bring into the Safe-deposit box.
- 36.8. The Bank is obliged:
 - 36.8.1. 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 Laws 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.
 - 36.8.2. To identify the Client and its representative by requesting:
 - 36.8.2.1. to present an identification document;
 - 36.8.2.2. to state the Safe-deposit box number that has been given to the Client for rent;
 - 36.8.2.3. to present the Safe-deposit box key;

- 36.8.2.4. 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.
- 36.9. The access to the Safe-deposit box shall be denied, if the Client or its representative cannot fulfill the Bank's identification requirements.
- 36.10. The period of stay at the room of Safe-deposit boxes is 15 (fifteen) minutes, however, if necessary, may be prolonged at the discretion of the Bank's employee. 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.
- 36.11. 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.
- 36.12. The Client or their representative can visit the Safe-deposit box with a bag that does not exceed the dimensions of hand luggage (55x45x25 cm).