

General Conditions of Swedbank AS

Terms and Definitions

Reference Interest Rate means the interest rate which is used for calculating interest applied in the provision of Payment Services and which the parties can verify in publicly available sources (e.g. EURIBOR, LIBOR).

Reference Exchange Rate means the exchange rate used in calculating any currency exchange and which is made available by the Bank to the Customer or comes from a publicly available source (e.g. the rate set by VISA International, MasterCard International).

Bank means Swedbank AS, single reg. No. 40003074764, BIC/SWIFT: HABALV22, registered office: Balasta dambis 1a, Riga, LV-1048, website www.swedbank.lv, e-mail: info@swedbank.lv. The Bank holds a licence to operate as a credit institution and is supervised by the Finance and Capital Market Commission of the Republic of Latvia. The seat of the Financial and Capital Market Commission: Kungu iela 1, Riga, LV-1050.

Banking Day means the business hours of a day when the Bank is open for business as required for execution of Banking Operations (incl. Payments). The Bank may set different business hours of working days depending on the Service offered and/or depending on the Banking Operations type. Unless the Price List, these Conditions or Contracts stipulate otherwise, it will be assumed that a Banking Day means any day except Saturday, Sunday or other holiday, which is recognized as such under law in force in the Republic of Latvia, during normal business hours. Information about specific business hours is given on the Bank's website, in the Price List, and at Customer service locations.

Bank's website means the website of the Bank at www.swedbank.lv.

Banking Operations mean banking operations in the sense of the term "financial services" as used in the Law On Credit Institutions (Paragraph 4 of Section 1 of the Law On Credit Institutions), as well as in the sense of the term "payment service" as used in the Payment Services Law (Paragraph 1 of Section 1 of the Payment Services Law), including lease of personal safe deposit boxes, as well as in the sense of the terms "investment services" and "non-core investment services" as used in the Financial Instruments Market Law (Paragraph 4 of Section 3 of the Financial Instrument Market Law).

Price List means the price list in force at the time of Banking Operations / delivery of Services.

Member State means a member state of the European Union or of the European Economic Area.

IBAN means International Bank Account Number assigned to a customer and being in compliance with the international standard "Financial services - International bank account number (IBAN) -- Part 1: Structure of the IBAN".

Means of Identification mean the Customer's electronic signature, identification codes issued by the Bank (e.g. PIN), passwords, identification numbers and/or other instruments (e.g. keys) used for identifying the Customer and Customer's operations at the Bank in a way agreed between the Parties.

Internet Banking means a Bank's service that enables the delivery of a Payment Order for execution of a Payment, as well as for execution of other Banking Operations offered by the Bank, using the Bank's online forms and internet-based technical solutions, on the use of which the Parties have agreed in a corresponding Services Contract.

Account Statement means a summary of transactions effected in the Account over a certain period of time.

Customer means a natural or legal person, or an association of such persons, related to the Bank by Banking Operation(s).

Fee means a charge set in the Price List which the Bank levies on services delivered by the Bank and on Banking Operations conducted. A fee may also be included in a Contract with the Customer or in other document binding on the Customer.

Account means a current account, private account, salary account or other account opened for the Customer with the Bank where the Customer's deposits are recorded.

Parties mean the Bank and the Customer collectively.

Contract means a contract between the Customer and the Bank for the receipt of a Service (a standard contract) or contract for a non-recurring payment service (Non-Customer Payment).

Payment Instrument means any personalised device(s) and/or set of procedures agreed between the Customer and the Bank and used by the Customer in order to initiate a Payment or other Banking Operation (for instance, a bank card).

Payment Order means a Payer's or Payee's instruction to the Payment Service Provider requesting execution of Payment.

Payment means an act, initiated by Payee or Payer, of placing, transferring or withdrawing funds, irrespective of any underlying obligations between the Payer and the Payee.

Payment Service means a service defined as such in the Payment Services Law.

Payment Service Provider means a payment service provider defined as such in the Payment Services Law (for instance, the Bank, beneficiary bank, correspondent bank).

Payer means a natural or legal person who makes a Payment or gives a Payment Order (a Payer does not necessarily need to be a Customer).

Non-Customer Payment means an arrangement that governs execution of a single Payment and that is not based on the Account Agreement and where the Payer is not under an obligation to open a current account with the Bank.

Conditions mean the General Conditions of the Bank

Service means a Payment Service, Banking Operations, or other service offered by the Bank.

Terms of Services mean terms of services, as stipulated by the Bank and/or legislation in force in the Republic of Latvia, that govern the provision of Services and Banking Operations at the Bank.

Durable Medium means any instrument which enables the Customer to store information addressed personally to him in a way accessible for future reference and use in unaltered form for a period of time adequate to the purposes of the information and which allows the unchanged reproduction of the information stored (for instance, Internet Banking, Bank's website, information in the press).

Consumer means a Customer who is considered a consumer under Latvian legislation.

Notice means any notification, notice, Account Statement, attestation, confirmation or any other information (document) to or from the Party.

Consent means the Payer's consent to execution of Payment Order (authorization).

Direct Debit means a Payment Service for debiting a Payer's account, where a Payment transaction is initiated by the Payee on the basis of the Payer's Consent given to the Bank (being a Payment Service Provider), to the Payee directly or to the Payee's Payment Service Provider.

Payee means a natural or legal person who receives funds on the basis of a Payment (the Payee does not necessarily need to be a Customer).

Third Party means a natural or legal person who is not a Customer or the Bank.

Third Country means any country that is not a Member State.

Unique Identifier means a combination of letters, numbers or symbols specified to the Payment Service user by the Payment Service Provider and to be provided by the Payment Service user (Customer) to identify unambiguously the other Payment Service user involved in the Payment transaction or his account (for instance, IBAN).

P R E A M B L E

The present Conditions are a general document governing relations between the Bank and the Customer and stipulating rights and obligations of the Parties arising from Banking Operations, insofar as not provided for by Contracts between the Parties or the relevant provisions for Banking Operations / Terms of Services.

The Conditions shall be applicable where specific aspects are not stipulated in the Contracts between the Parties or in the relevant provisions for Banking Operations / Terms of Service or they are ambiguous so that disputes or differences arise between the Parties regarding the contents, form and performance of transactions.

The Conditions form an integral part of every legal transaction between the Parties and shall be binding on both Parties.

Customer's signature on any of the Bank's documents (contract, agreement, duly executed forms, etc.) testifies that he has read the Conditions in their entirety, agrees to them and admits them to be binding on him.

Along with the Conditions, the relations between the Parties are governed by Contracts existing between the Parties, the Price List, Terms of Services / Banking Operations, as well as generally accepted banking practices.

1. CUSTOMER IDENTIFICATION AND POWERS TO OPERATE. VERIFICATION OF SIGNATURE

1.1. Identification of the Customer is performed by the Bank in accordance with the procedures set forth by the Bank and the legislation in force in the Republic of Latvia. The Bank has the right to demand presentation of an identity document. The Customer shall be obliged to present identity documents as required by the Bank. Natural persons shall be identified by the Bank on the basis of the identity document presented. If the Bank has a copy of the Customer's identity document in its possession, the Bank may identify the Customer on the basis of a Latvian driver's licence. The Customer shall submit to the Bank his own specimen signature or the specimen signature of the authorised representative in order to perform Banking Operations.

1.2. When performing Banking Operations, the Bank shall visually compare the specimen signatures of the Customer or his authorised representative on the transaction document against the submitted specimen signature of the Customer or his authorised representative, or identify the person by the identity document presented or a Latvian driver's licence as appropriate. In the case of natural persons, the signature subscribed by the Customer on agreements for opening accounts shall be used as specimen signatures. The Customer has an option to complement specimen signatures with a sample imprint of the Customer's stamp. In this case, when performing Banking Operations, the Bank shall visually compare the imprint of the stamp of the Customer on the transaction document against the submitted sample imprint of the Customer's stamp. The Bank shall not be obliged to take the colour of the stamp into consideration. For the purposes of comparing the Customer's signature and sample imprint of the stamp, the Bank may use also the Customer's specimen signature and sample imprint of the stamp that have been scanned into the Bank's accounting program or copied, or the person's signature on the personal identification document presented or a Latvian driver's licence.

1.3. The Customer or his representative may use the Means of Identification, the status and usage procedure of which is governed by the Contract existing between the Parties, for execution of Banking Operations which, according to the procedure prescribed by the Bank, are to be executed upon the Customer giving a relevant instruction remotely (via phone, facsimile, e-mail, Internet Banking or other means of communication).

Electronic documents and instructions concerning execution of Banking Operations shall be accepted pursuant to the procedure prescribed by the Bank using electronic data media acceptable to the Bank or using the Bank's online forms. The Bank is entitled not to accept electronic documents or instructions, which are signed by secure electronic signature or which are created with a certificate that is subject to any restrictions, including restrictions on the operation or amount of the signature, or that is issued by a certification service provider not accredited by the Data State Inspectorate of the Republic of Latvia. The Bank is entitled to identify the signer according to the identity number included in the certificate only.

The Bank is authorized to offer the Customer Services, and to receive applications for Services from the Customer subject to the procedure set forth by the Bank, via mail, telephone, facsimile, e-mail and other means of communication. In such cases the Bank is authorized to identify the Customer using such information registered at the Bank as is related to the Customer (Customer's representative) and the transactions carried out by

¹ - reported by the Orphan's Court or an institution temporarily performing its duties.

² - reported by the Orphan's Court or an institution temporarily performing its duties, or by legal guardian.

the Customer (first name, surname or company name, address, account number, transactions performed at the Bank, identity number or registration number, passport and other personal data, etc.), except for any confidential information, which is defined as such in the agreements existing between the Parties. The Customer agrees that pursuant to this clause the information provided by the Customer shall be deemed as the Means of Identification of the Customer's identity sufficient for offering of and applying for Services via means of communication. The Customer has the right to refuse from commercial notifications being sent. Unless the Customer expressly opts for not receiving any commercial notifications, the Customer will be considered to have agreed to receive the commercial notifications until the right of refusal is exercised.

The Customer agrees that the Bank is authorized to record and save telephone conversations and other oral communication between the Parties, and to use its sole discretion in choosing the technical means for such recording of telephone conversations and other oral communication (incl. video surveillance). Conversion records shall serve as a sufficient proof of communication between the Customer and the Bank in settlement of disputes between Parties and in court.

1.4. In case of cash disbursement, the Bank shall perform identification of the Customer or its representative according to the presented identity document by verifying such identity document pursuant to Clause 3 of the Conditions. The Bank has the right to perform identification of the Customer or its representative according to a Latvian driver's licence if the Bank holds a copy of a valid identity document of the Customer.

1.5. The Customer may grant a power of attorney to a third party for performing Banking Operations.

The power of attorney must be executed on the Bank's form in writing in the presence of an employee of the Bank or, alternatively, such power of attorney must be notarised.

The power of attorney submitted to the Bank shall be considered effective until and unless revoked by the Customer. Such revocation of the power of attorney shall be made in writing by giving a written notice thereof to the Bank.

If the power of attorney is granted for a fixed period of time, such power of attorney shall be null and void upon its expiry date unless cancelled earlier.

The Bank shall not be obliged to check the validity of the power of attorney. This applies also to the powers of attorney that must be registered with the Register of Enterprises of the Republic of Latvia. If the signer of a document does not have the right to act on behalf of the Customer, the representative of whom he claims to be, then he shall bear full liability for the obligations arising from the signed document and shall be liable for execution thereof in his personal capacity. The Customer shall be obliged to notify the Bank in writing immediately of any changes in circumstances (facts) significant for his transactions with the Bank, especially changes in first name, surname or name of the organisation, address, domicile or contact address, stamp imprint, authorized signatories (or their signature), legal capacity or status (loss of legal capability¹, establishing of guardianship², reorganisation, privatisation, attachment of property, insolvency, bankruptcy, etc.).

1.6. The Customer shall be fully liable for any losses incurred as a result of the Customer misleading the Bank or through negligence by the Customer. The Customer shall be liable for losses incurred by the Customer as a result of any third party acts, except in case of gross negligence by the Bank in identification of person by the presented identity document or Latvian driver's licence or in the visual comparing of signature and stamp of the Customer or his representative against the Customer's submitted specimen signatures and imprint of the stamp. The Customer shall reimburse for any losses incurred by the Bank if at the time of performing Banking Operations the Customer or his representative did not have the required legal capacity or their legal capacity was limited.

2. DRAFTING, RECEIPT AND SENDING OF DOCUMENTS

2.1. The Customer bears liability before the Bank for the truthfulness, completeness, accuracy and timely provision of all the information and documents presented to the Bank, including any Notices given. The Bank shall be authorised to request from the Customer any information and documents (contracts, invoices, waybills, etc.) providing evidence to the legality of funds existing on the Customer's accounts or proceeding from Banking Operations or the legality of origin of securities, and the business activities of the Customer or that of the Customer's cooperation partners, the relevance of Banking Operations to the business activities of the Customer or that of the Customer's cooperation partners, as well as other information, which the Bank may require to duly meet the money laundering and terrorism financing prevention requirements. Should the Customer fail to comply with the Bank's request, the Bank shall be authorised to refuse compliance with the Customer's instructions, provision of service or to suspend execution of Banking Operations.

2.2. The Bank shall have the right to demand that any Notice to be delivered to or by the Bank and to or by the Customer in connection with Banking Operations shall be drawn up in Latvian in writing unless stipulated otherwise in relevant Terms of Services / Banking Operations or in provisions of a Contract between the Parties.

2.3. Notices to the Customer shall be given as follows:

2.3.1. The Bank's Notices to the Customer in person shall be delivered directly to the Customer or given orally; or given via Internet Banking or by mail to the Customer's postal address specified in any Contracts existing between the Parties or given in any other way agreed in any Contacts existing between the Parties. The Bank shall be entitled to use third-party services for processing and/or delivery of consignments, information or data, as well as to send text messages (SMS), electronic mail messages and other types of messages to the Customer to his connection number assigned by his mobile communications carrier and/or electronic mail address, which are registered with the Bank.

2.3.2. Published Notices shall be understood to include Notices published on the Bank's website, in informational materials issued by the Bank (e.g. booklets) and in mass media.

2.3.3. The Bank's Notices (such as requests, letters, offers, etc.) sent via electronic communication networks, electronic means of communication, third-party services, or communicated via voice telephony (the Internet, e-mail, telephone, facsimile, SMS, etc.) solely by initiative of the Bank without the Customer's and its authorised person's (user's) consent given explicitly or expressed in mutual agreements, will at no time constitute an invitation, instruction, offer or any other possibility to disclose (incl. to send, transmit, upload, modify, update, adjust, personalize, etc.) the Means of Identification issued by the Bank or any other confidential information whatsoever (or any part thereof), which is defined as such in Contracts between the Parties and is related to the use of Banking Operations or Services. Such communication will also not constitute the possibility of unauthorised distribution, downloading, installation, execution, setting, deletion, modification, addition, correction, updating, automation, customisation or personalization of a computer, application software, operating system, communication networks, including their settings or components.

2.4. All Notices and documents shall be considered sent to the Customer or received at the Bank as at the moment when the Notice or document in question is registered with the Bank's record-keeping registries unless stipulated otherwise in relevant Terms of Services / Banking Operations. Notices and documents kept at the Bank at the request of Customer shall be deemed sent on the date indicated by the Bank on the consignment.

2.5. Execution of received orders and documents shall be performed according to the relevant Terms of Services of the Bank.

3. VERIFICATION OF THE RECEIVED DOCUMENTS, PAYMENTS AND ORDERS

3.1. If the Bank, under the Conditions or the Terms of Services / Banking Operations, is required to verify the authenticity, completeness, truthfulness or validity of any documents, or to translate the contents thereof, the Bank shall bear liability for gross negligence only.

If the aforesaid actions are necessary in order to carry out the Customer's order to the Bank, the Bank has the right to use third-party services at the Customer's expense.

3.2. If sums or figures in the Banking Operation documents are written in the form of both letters and figures and if they differ, the Bank shall have the right not to execute such a transaction or to execute it on the basis of the sum or figures written in the form of letters. In case of electronic payment systems, the Bank shall regard the sum or figure stated in the form of numbers as the basis for performing Banking Operations.

3.3. When effecting Payments on the basis of a letter of credit, collection, writ of execution or other claim or executive document, as well as in cases when legalised, notarised or apostilled foreign-origin documents are presented to the Bank, the Bank shall be obliged to examine formal correspondence of these documents to the standard or the generally accepted form if such a form exists.

3.4. All the documents submitted or sent to the Bank must be clearly legible and completed correctly, and signed with such writing implements as to ensure that the written text remains visible for an unlimited period of time and is erasable only by inflicting significant damage to the material of the document. The Bank shall have the right but not an obligation to check whether such writing implements have been used. The Customer shall bear liability for any loss arising from the use of other type of writing implements and for loss incurred due to the submission of documents completed incorrectly or illegibly. The Bank shall have the right not to accept Payment documents that are illegible or completed incorrectly.

3.5. The Bank shall have the right to demand an additional confirmation for any orders, which have not been given in person by the Customer or his representative to the Bank, and in cases when doubts arise to the Bank as to the authenticity of such order or where, at the time of execution of the order (incl. Payment Order), the Bank finds that the order has been given by the Customer on the basis of information, which, according to information held by the Bank, turns out to be inaccurate or incorrect at the time of execution of the order. The Bank shall have the right not to execute such order until and unless the Customer's confirmation of the order is obtained. In such an event the Bank shall have no liability for loss caused to the Customer due to a delayed execution of the order.

3.6. All documents of Banking Operations must be signed on behalf of the Bank by persons authorised by the Bank.

The signature of a Bank's employee on a Banking Operation document means only that the document is accepted for execution.

4. COMMUNICATION (TRANSMISSION) FAILURES, DELAYS AND OTHER CIRCUMSTANCES

4.1. Where the Parties use means of communication in Banking Operations, the Bank shall bear no liability for any loss incurred as a result of failures or faults in mail, facsimile, electronic and technical equipment used in the relevant Bank Services or for failures in any other means of communication.

4.2. The Bank shall bear no liability for any delays in order transmission, loss of consignments, transmission errors or distortions arising from lack or damage of communication facilities, time zone differences, exchange rate fluctuations or any other circumstances beyond the will or control of the Bank.

4.3. Where performance of an action in a Banking Operation is time-sensitive, the Customer shall be obliged to specify the time limit of execution for every such occasion individually. The time limit of execution shall be specified in writing unless another procedure is prescribed in the transaction between the Parties. The Bank reserves the right not to comply with the time limit of execution specified by the Customer if, according to the general banking practice, execution of the order within such a time limit is impossible or is in conflict with legislation in force of the Republic of Latvia. In such event, the Bank shall have no liability for any loss incurred by the Customer due to delayed execution of the order.

If the Customer has failed to specify the time limit in the transaction documentation or the order, the Bank shall have no liability for any loss incurred by the Customer due to delayed performance of the action or order.

4.4. The Bank shall have the right to request, at the Customer's expense, a confirmation of the orders received from the Customer by mail, facsimile, phone, electronic means and other means of communication. If the Bank delivers such a written confirmation to the Customer, the Customer is obliged to immediately sign this confirmation and return it to the Bank if the Customer accepts the contents of the order confirmation, or to challenge the contents of that confirmation if it differs from the order of the Customer. The Customer shall confirm that the person who signs the order confirmation is authorised to give such an order and to operate with the Account to the extent of the order.

4.5. The sending (delivery, transportation, incl. by mail) of money and other valuables (incl. Payment Instruments or any security element thereof) shall be performed by the Bank at the risk and expense of the Customer unless agreed otherwise.

5. OFFSETTING, ASSIGNMENT

5.1. The Bank shall have the right to apply the balance of any Account held by the Customer in or towards offset against the Customer's obligations to the Bank without any express permission by the Customer. The Customer shall have the right to offset his claims to the Bank against a counterclaim only where such claims are conclusive and admitted to be validly existing (effective) by court of law, and only in the same currency, or, if the Bank so agrees, in another currency with conversion at the Customer's expense at the Bank's exchange rates then in force. The Bank shall have the right to apply any claim of the Customer to the Bank in or towards the offsetting of obligations of any Party.

5.2. The Bank shall have the right to exercise the right of attachment (detainer rights) to secure its right of claim to the Customer, and the Customer accepts the Bank's right of attachment on any asset of the Customer that has legally come into the possession or control of the Bank insofar as may be necessary to secure the performance of the Customer's obligations to the Bank.

5.3. The Bank is entitled to assign (transfer) its right of claim against the Customer to any third party. The Customer is entitled to assign (transfer) his right of claim against the Bank only upon written consent of the Bank.

The Bank shall have the right to transfer, on its behalf but at the Customer's expense, the Customer's order to the Bank to any third party for execution if the Bank deems that to be in the best interest of the Customer. In such an event, the Bank's liability shall be limited to a reasonable choice of the third party and explanation of the contents of the order. If the choice and explanations of the order were in accordance with the instructions of the Customer, then the Customer shall bear full liability for execution of

the order. However, in such case, the Bank shall be obliged to assign to the Customer all of the Bank's claims against the third party.

5.4. If an action is brought against the Bank arising from the Bank's guarantee or suretyship for the Customer's obligations, the Bank shall have the right to pay out the amount of the claim from the Customer's (debtor's) account on the basis of a unilateral claim by the creditor without any court judgement, provided there exists a relevant prior arrangement between the Bank, the creditor and the Customer (debtor) and if the Customer fails to present evidence of performance of his obligations.

6. ACCOUNT MAINTENANCE AND PAYMENT SERVICES

6.1. Opening of an Account

6.1.1. The Customer is entitled to open Account and/or securities accounts with the Bank. The Customer's Accounts with the Bank are multi-currency accounts. The Customer is entitled to specify a principal currency and the permitted currencies for each Account. The principal currency of an Account is the base currency of that Account as determined by the Customer, into which the Bank converts all currencies not specified by the Customer as the permitted currencies at the end of the day at the Bank's exchange rate then in force. If the total amount of funds following conversion into the principal currency of the Account is less than 0.01, then it will be considered to equal 0. The Customer shall have the right to operate with the undefined currencies transferred to the Account only by the end of day of transfer of the Payment.

The permitted Account currencies are the currencies set by the Customer that may remain unconverted in the Account for an unlimited period of time. All other currencies shall be regarded as undefined currencies. Balances of principal currencies of the Account and permitted currencies of the Account are included in the Customer's account statement.

Securities owned by the Customer are recorded in the Customer's securities account. Public securities issued in Latvia and owned by the Customer are held by the Bank at AS Latvijas Centrālais Depozitārijs (Latvian Central Depository).

6.1.2. When the Customer wishes to open another Account, the Parties shall sign a new Contract for opening an Account. Amendments to the aforesaid Contracts shall be made in accordance with the terms of the Contract in question. The natural person or legal person with whom the Bank entered into a contract for opening and maintenance of the Account shall be considered the holder of the Account opened with the Bank, unless otherwise stipulated in the Contract in question.

6.1.3. The Customer's funds in foreign currencies shall be placed into the Bank's correspondent accounts in the Bank's name but at the Customer's responsibility and risk. The Customer's securities of foreign issuers shall be held with the sub-custodians, depositories and registries of the corresponding countries. The Customer assumes liability for his investment in foreign securities and for the performance of obligations arising from such investment in compliance with the legislation of the country of investment. The Customer assumes all risks arising from restrictions on currency exchange, restrictions on alienation or transfer of securities, taxes, charges and other payments applicable in the country in question.

6.2. Use of Account

6.2.1. Accounts held by a natural person shall be operated by the natural person himself or by a person duly authorised thereto.

6.2.2. Accounts held by a legal person shall be operated by the legal person's representatives who have their signatory powers registered with the Bank and have the right to operate the legal person's Account. The Bank has the right of extending the Account holder representative's signatory powers to all of the holder's Accounts with the Bank unless otherwise stipulated in contracts existing between the Bank and the Customer for opening and maintaining the Accounts or in other written instructions of the Account holder to the Bank. Changes in the specimen signature card are made at the Bank on the basis of the Customer's request if not in conflict with applicable legislation.

6.2.3. The Bank shall perform the Banking Operations as instructed by the Customer and shall provide the Customer with Services of the Bank only after reviewing and accepting the Customer's documents on signatory powers submitted to the Bank. The Bank reserves the right to review the Customer's documents on signatory powers for 2 (two) Banking Days.

6.2.4. The Customer assumes full liability for his orders to the Bank, including for the completeness and accuracy of such orders, unless stipulated otherwise in legislation in force in the Republic of Latvia.

6.2.5. In case a money deposit into the Customer's Account and a transfer into an Account is made in error, due to a typing mistake, as a result of an unlawful action by third party, or is otherwise lacking legal grounds, the Bank may return the amount in question by making a corrective entry in the Account without any express notice to the Customer. If the Account lacks funds or if operations with the Account, or with monies in the Account, are restricted, then the Customer shall have a duty to return to the Bank any non-repaid amount of money received in absence of legal grounds, and the Bank shall have the right to debit, without the Customer's prior approval thereof, the necessary amount from other Accounts held by the Customer.

6.3. Execution of Payments

6.3.1. Execution of Payments and Required Information

6.3.1.1. The Bank shall have the right to transfer funds to the Customer also based solely on the account number (e.g. IBAN) specified in the Payment Order even if the Payee's name (incl. first name and surname) in the Payment Order does not match the account number. The Account number given in the Payment Order shall be treated as the Unique Identifier for execution of the Payment Order. The Bank shall have the right but not an obligation to check whether the Payee's account number given in the Payment Order matches the Payee specified in the Payment Order. The Bank reserves the right not to execute a Payment Order if it has well-grounded doubts as to correspondence between the name of the Payee and the Payee's account number contained in the Payment Order.

If the Bank receives a Payment Order instructing to transfer funds to an account held with other Payment Service Provider, such a transfer will be made based on the Unique Identifier contained in the Payment Order. The Bank shall bear no liability for the Unique Identifier being specified incorrectly or inaccurately in the Payment Order and/or if the Payee's Payment Service Provider has set a different Unique Identifier for execution of the Payment Order.

The Bank shall have the right to set requirements in respect of provision of certain information (e.g. transfer amount, currency, Payee's first name, surname or legal name, payment codes (such as S.W.I.F.T., BLZ, ABA, Sort Code), as well as other necessary information) that the Payer must provide in order for the Bank to be able to cause due execution of the Payment Order. Requirements as to information are given in the Payment Order form, Terms of Service, Contract, Price List, Bank's website or by sending the Customer a separate Notice concerning submission of the required information.

The Customer may seek the Bank's assistance in order to clarify all details necessary for execution of the Payment, and the Bank undertakes to provide the Customer with the necessary information as far as reasonably possible.

6.3.1.2. If the Customer has not specified the correspondent bank of the Payee's Payment Service Provider for the particular currency in the Payment Order, the Bank reserves the right to independently choose a correspondent bank on the basis of the available information without co-ordinating the choice with the Customer. If the choice of the correspondent bank based on the available information turns out to be incorrect and the Payment is returned to the Bank, the Bank shall repeat the money transfer at its own expense. If the repeated money transfer is not successful, the amount of the failed transfer is returned to the Customer without charging any transfer fees.

6.3.1.3. The Bank, in execution of a Customer's Payment Order, shall have the right to provide the Payee's Payment Service Provider with all information contained in the Payment Order (including the Customer's personal data given in the Payment Order).

6.3.1.4. If the Customer has provided all the details necessary for execution of the Payment but the transfer has not reached the Payee's Payment Service Provider in due time through the fault of the Bank or due to other circumstances, the Bank shall be liable as stipulated in laws and regulations of the Republic of Latvia.

6.3.1.5. The Bank shall have no liability for execution of orders given to the Bank if the Customer's accounts lack the required amount of securities and/or funds.

6.3.1.6. If the Customer has submitted a Payment Order in a certain currency for an amount exceeding the funds available in that currency, the Bank is authorised but not obligated to use the Customer's funds in other currencies as it may see appropriate in order to execute such a Payment Order. In such an event, the Bank's exchange rate of that day will be applied. The Bank shall not execute the Customer's order if the amount of securities indicated there exceeds the amount of securities in the Customer's account.

6.3.1.7. In case the Customer submits several Payment Orders for a total amount exceeding the funds available to the Customer and the Customer has agreed with the Bank on Payments being executed in a specific sequence, the Bank is authorised to sequence such Payment Orders as it may see appropriate. In case the Customer has given several instructions for transfer of securities from the Customer's account for a total amount exceeding the number of securities available in the Customer's account and the Customer has not asked to perform them in a specific sequence, the Bank is authorised to execute the received instructions in the sequence of their submission subject to provisions of this clause.

6.3.1.8. Any terms related to execution of Payments (incl. sequence and time of execution) and not set out in these Conditions, shall be stipulated in the Price List or Terms of Services.

6.3.2. Consent, Withdrawal of Consent, and Revocation of Payment Order

6.3.2.1. A Payment shall be considered authorized if the Payer has given his Consent. The Customer (Payer) may give his Consent to a Payment in the way and form agreed between the Bank and the Customer. All written consents shall be signed by the Customer or his representative. A Consent to execution of Payment may be confirmed by the electronic signature, passwords and identification codes issued to the Customer, subject to the procedure prescribed by the Bank, or using other Means of Identification permitted in the territory of the Republic of Latvia and acceptable to the Bank. If Consent to the Payment is given using a bank card, then in individual cases the Customer (Payer) or his representative (card holder) may confirm the Consent by supplying the relevant information (e.g. first name, surname / legal name, card number, expiry date, CVV2/CVC2 codes (certain figures on the back of the bank card) or by performing certain deliberate and consecutive actions (e.g. insertion of bank card in a device, ordering certain goods or services) offered at self-service locations.

A Consent, which is confirmed as described in this clause, shall be treated as having been fully confirmed by the Customer, and such a Consent shall have the same legal force and effect as a document signed in own hand by the Customer and shall be considered as a sufficient proof in dealing with any possible disputes between the Bank and the Customer. The Customer shall not be entitled to challenge Payments that are based on a Consent given as prescribed in this clause.

A Payment shall not be considered authorized if the Payer has not given his Consent as prescribed in these Conditions.

6.3.2.2. The Customer (Payer) shall give his Consent to a Payment before execution of that Payment. If agreed so by the Parties in a Contract, the Payment may also be authorized after execution by the Bank.

6.3.2.3. In case of Direct Debit, the Customer (Payer) shall give his Consent to the Bank, but if the Bank so agrees then the Customer may, alternatively, give his Consent to the Payee's Payment Service Provider or to Third Party who provides the technical solution for Direct Debit.

6.3.2.4. The Customer agrees to the Bank's right to make the Customer's personal data held by the Bank available to Third Parties who are, or may be, involved in execution of Payment (e.g. International Card Organizations, Payee's Payment Service Provider, the technical operator of a payment system, or intermediary bank).

6.3.2.5. The Customer (Payer) may withdraw his Consent at any time but in any event not later than stipulated in clause 6.3.6 below. The Customer (Payer) may also withdraw a Consent given to execution of several or repeated Payments. In such an event all further respective Payments will be treated as not having been authorized. The Customer shall have a duty to notify the Bank in writing about withdrawal of Consent (incl. via Internet Banking).

6.3.3. Payment Order Revocation Procedure

6.3.3.1. Unless stipulated otherwise in the Conditions, the Customer may not cancel a Payment Order after it is received by the Bank.

6.3.3.2. If a Payment is initiated by or through the Payee (for instance, in case of bank card transaction), the Payer may not revoke the Payment Order once it is transmitted to the Payee. However, in case of Direct Debit, the Payer may revoke the Payment Order at the latest by the end of the Banking Day preceding the day agreed for debiting the funds from the Account. The Bank shall execute Direct Debit transfers according to the agreement between the Bank and the Customer, nevertheless without assuming any responsibility for relations between the Payer and the Payee or for the possibility of ensuring them.

6.3.3.3. If the Parties have agreed on execution of a payment on a specific Banking Day, then Payment Orders may be revoked at the latest by the end of the Banking Day that follows the Payment execution day.

6.3.3.4. After the time limits specified in clauses 6.3.3.1 - 6.3.3.3 of these Conditions, Payment Orders may only be revoked if agreed by the Customer (Payee) and the Bank, and in the event referred to in clause 6.3.3.2 the Payee's agreement shall also be required.

6.3.3.5. The Bank may fix a Fee for revocation of Payment Order in the Price List.

6.3.3.6. The Customer has the right to submit a revocation of the Payment Order on the Bank's standard form or by presenting a corresponding application. Nevertheless, the Bank does not guarantee non-execution of the Payment Order.

6.3.3.7. The Bank shall, insofar as reasonably possible, contact the Payee's Payment Service Provider or the direct Payee in order to recover the funds transferred. If the Bank has not yet sent the Payment Order but processing thereof has been started, the Bank shall take all actions required to prevent the Payment Order from being executed.

6.3.3.8. The Bank shall transfer the amount in question back to the Customer's Account only after it has made certain that the Payment Order will not be performed at any stage of processing the Payment Order (neither at the Bank, nor outside it) and following recovery by the Bank of the funds from the Payee or Payment Service Providers involved.

6.3.3.9. If the Customer has submitted a revocation for a Payment already executed and where the Payee is a Customer of the Bank, then the Bank shall, on the basis of request by the Customer - Payer and insofar as reasonable possible, try to contact the Customer - Payee to obtain his approval for returning the Payment to the Customer - Payer. The Payment shall be returned to the Customer-Payer only following approval by the Customer-Payer and provided that no other obstacles exist to returning the Payment to the Customer.

6.3.4. Receipt of Payment Orders at the Bank and Refusal to Execute Payment Orders

6.3.4.1. In cases where the Customer is a Payer, the Payment Order will be considered received at the Bank on the day when it is received at the Bank. If the day of receiving the Payment Order is not a Banking Day, then the Payment Order will be considered received on the next Banking Day, with the following exceptions:

6.3.4.1.1. A Payment Order received on a Banking Day after the normal working hours of the Bank specified in the Price List (or in Contract or Terms of Service) shall be considered received on the next Banking Day:

6.3.4.1.2. If an agreement exists between the Parties that execution of the Payment Order starts on a specific day or upon end of a specific time period or on the day when the Customer has placed the necessary amount of funds at the disposal of the Bank – the Payment Order shall be considered to have been received on the day agreed.

6.3.4.1.3. If the Bank has agreed to accept the Payer's Payment Order that lacks full information for execution of Payment Order (for instance, payee's first name, surname, account number compliance with the IBAN standard) and the Bank has, for the purposes of obtaining the necessary information, involved a Third Party, then such a Payment Order will be considered to be received on the Banking Day when all the information necessary for execution of Payment Order is obtained.

6.3.4.2. The Bank shall be entitled to debit the amount of the money transfer from the Account of the Customer (Payer) on the day when the Payment Order is submitted to the Bank or, in the event referred to in clause 6.3.4.1.2, on the day agreed.

6.3.4.3. The Bank reserves the right to store information about any Payment Order submitted, as well as recording and storing information about any Payments executed. Such information shall serve as evidence, for the Customer or relevant Third Party, of the particular Payment having been received or executed by the Bank.

6.3.4.4. The Bank shall only accept from the Customer Payment Orders of form and substance agreed between the Parties: Payment Orders submitted by the Customer must comply with the requirements laid down in legislation of the Republic of Latvia and the Bank assumes no liability for any incorrect Payment Orders submitted by the Payer. If the Payment Order lack sufficient information for execution, the Bank reserves the right not to execute such a Payment Order or to start execution thereof on the basis of information available.

6.3.4.5. If reasonable doubt arises to the Bank as to the Payment Order having been submitted by the Customer or his representative, as well as in cases where reasonable doubt arises to the Bank as to the contents of the Payment Order, the Bank shall have the right but not an obligation to refrain from execution of that Payment Order.

6.3.4.6. The Bank shall not be responsible for execution of Payment Orders given to the Bank if the Customer's Accounts lack the necessary amount of funds.

6.3.4.7. The Bank reserves the right, prior to execution of a Payment Order, to demand from the Customer proof (incl. documentary evidence) of legality of the origin of funds in accordance with clause 2.1 of these Conditions.

6.3.4.8. The Bank may delegate execution of a Payment Order to a Third Party if such delegation is in the interest of the Customer or if it proceeds directly from the contents of the Payment Order.

6.3.4.9. The Bank reserves the right to refuse a Payment Order if execution thereof is not allowed under legislation in force in the Republic of Latvia.

6.3.4.10. If the Bank refuses execution of a Payment Order, the Bank shall, insofar as reasonably possible, inform the Customer thereof, except where such informing is impossible due to technical reasons or is prohibited by legislation in force in the Republic of Latvia. If the Bank has refused a Payment Order, it shall be considered to not have submitted to the Bank at all. If the refusal to execute the Payment Order has been well-grounded, the Bank shall have the right to charge a Fee as per Price List for performance of the duty to inform the Customer.

6.3.5. Acceptance of Payment in Account

6.3.5.1. The Bank shall have the right to accept any payment in the Customer's account without his consent. The Bank shall have the right to transfer funds to the Customer to other Account held by the Customer if the Customer's Account at the Bank as specified in the Payment Order is closed.

6.3.5.2. If the currency specified in the Payment Order is not the Account's permitted currency, the Bank shall record the amount of Payment in the Account specified in the Payment Order and shall convert it, at the end of the day of transfer of the Payment, to the Account's principal currency at the Bank's exchange rate then in force. Unless stipulated otherwise in the transaction between the Parties, the Bank shall follow the Bank's exchange rate of the particular day also in other transactions related to money transfers.

6.3.5.3. If the Payment Order does not provide for money transfers to the Account of the Customer (Payee) and the Bank possesses sufficient information about the Customer to send a Notice about the sum payable to the Customer, the Bank shall send a Notice to the Customer no later than on the next Banking Day following the acceptance of the Payment Order at the Bank.

6.3.5.4. A Payment received on a Banking Day after the normal working hours of the Bank specified in the Price List (or in Contract or Terms of Service) shall be considered received on the nearest next Banking Day.

6.3.6. Time of Execution of Payments

6.3.6.1. The time of execution of money transfers to an account is given in the Conditions, the Price List, Contracts and Terms of Services. If a Payment in a currency of a Member State is made to another Member State, then the maximum time period, within which the funds are transferred into the account of the Payee's Payment Service Provider, shall not exceed three Banking Days as from acceptance of the Payment Order at the Bank. The Bank does not guarantee execution of a Payment within any certain period of time if the Payment Order is in a currency of a Third Country and/or is address to a Payment Service Provider in a Third Country.

6.3.6.2. The Bank shall execute the Payments referred to in clause 6.3.4.1.2 above according to the set procedure, but if the day in question is not a Banking Day, then on the next Banking Day.

6.3.6.3. If the Customer is the Payee, then the Bank shall forward to the Payer's Payment Service Provider the Payment Order submitted by or through the Payee, within a time period agreed between the Payee and the Bank, in order to ensure the settlement

in respect of the Direct Debit payment on the day when the Payer's obligations to the Payee fall due for performance according to the agreement.

6.3.6.4. Where the Customer is the Payee, the Bank shall make the amount of money transfer available in the Account subject to the following conditions:

6.3.6.4.1. immediately after the Payment is credited to the Bank's account and the Bank has received all information necessary for execution of the Payment if the Payment is executed in a Member State currency;

6.3.6.4.2. within one Banking Day's time after the Payment is credited to the Bank's account and the Bank has received all information necessary for execution of the Payment if the Payment is executed in a Third Country currency;

6.3.6.5. If the Consumer deposits money into the Account - in the Account currency, the Bank shall make that amount available immediately after receiving the money and it shall be value dated on the same Banking Day or next Banking Day if the date of deposit is not a Banking Day. Where the depositor is not a Consumer, the Bank shall make the amount of funds available and value date it at the latest on the next Banking Day after the receipt of the funds.

6.3.6.6. The Bank shall not be liable for execution of Payment if the Bank cause the Payment to be transferred into the account of the Payee's Payment Service Provider (or intermediary bank account) within the time period required under legislation of the Republic of Latvia. The Bank shall not be liable for disbursement of the transferred funds to the Payee indicated in the Payment Order.

6.3.6.7. Funds specified in a Payment Order submitted within the time limit set in the Price List shall be remitted by the Bank to the Payee's Payment Service Provider on later than on the day of execution of Payment Order referred to in the Price List, except in cases where the money transfer needs to be made through one or several other Payment Service Providers (intermediary banks) and the Bank is not required to cause execution of the Payment within a set period of time under legislation in force in the Republic of Latvia.

6.3.6.8. The time of execution of other Services offered by the Bank is set according to the corresponding Terms of Service, Contracts, Price List and other documents.

6.3.7. Provision of Information about Payment if the Customer Holds an Account with the Bank:

6.3.7.1. Upon the Customer's request prior to execution of separate Payment initiated by the Customer (Payer), the Bank shall provide information about the maximum execution time for the Payment and about the Fees payable. The Customer can access such information in the Bank's informational materials available on the premises of the Bank or the Bank's website.

6.3.7.2. After the amount of Payment is debited from the Customer's Account, the Bank shall provide the Customer (Payer) with access to Account Statement where the following information is supplied (the Bank has the right not to supply the Customer with the below information if the Customer is not a Consumer and the Payment in question does not fall within the scope of the Payment Services Law):

6.3.7.2.1. A reference enabling the Customer to identify each Payment and, where possible, information about the Payee;

6.3.7.2.2. The amount of Payment in the currency in which the amount was debited from the Account or in the currency used in the Payment Order;

6.3.7.2.3. The Fee paid by the Customer for the Service and the breakdown of such Fee or the percentage of the Fee paid by the Customer;

6.3.7.2.4. The exchange rate applied by the Bank in the Payment and the amount of the Payment after that currency conversion, if applicable;

6.3.7.2.5. The value date for debiting the amount of Payment from the Account or the date of receipt of Payment Order.

6.3.7.3. After execution of the Payment, the Bank shall provide the Customer (Payee) with access to Account Statement where the following information about the executed Payment is supplied (the Bank has the right not to supply the Customer with the below information if the Customer is not a Consumer and the Payment in question does not fall within the scope of the Payment Services Law):

6.3.7.3.1. A reference enabling the Payee to identify the Payment and, where appropriate, also the Payer, and any information transferred with the Payment;

6.3.7.3.2. The amount of Payment in the currency in which the funds were credited to the Payee's Account;

6.3.7.3.3. The Fee paid by the Customer (Payee) and the breakdown of such Fee or the percentage of the Fee paid by the Customer;

6.3.7.3.4. The exchange rate applied by the Bank in execution of the Payment and the amount of the Payment before that currency conversion, if applicable;

6.3.7.3.5. The value date when the funds were credited to the Account.

6.3.7.4. The Account Statement is available to the Customer in the following ways:

6.3.7.4.1. without any Fee, by accessing the Account Statement via Internet Banking;

6.3.7.4.2. by receiving the Account Statement by mail or similarly, whereupon a Fee will be payable to the Bank as agreed by the Parties according to the Price List.

6.3.7.5. When money is paid in or out, Account Statements or the cash deposit or withdrawal document of the Bank shall constitute a sufficient proof of payment of the amount of money.

6.3.8. Information about Non-Customer (Single) Payments

6.3.8.1. If a Payment Order is submitted for execution of Payment by a Payment Instrument covered by the Contract or other agreement, the Bank shall have no duty to provide or make available information already supplied to the Payment Service user on the basis of a standard contract with other Payment Service Provider.

6.3.8.2. In case of a single Payment, the Payer may access the Payment execution procedure on the Bank's website or upon request at the premises of the Bank, prior to execution of the single Payment.

6.3.8.3. The Bank shall, upon request, provide the Payer with the following information prior to execution of the single Payment:

6.3.8.3.1. A reference to information or Unique Identifier that has to be provided by the Payer to the Bank in order for a Payment Order to be properly executed;

6.3.8.3.2. The maximum execution time for the Payment service;

6.3.8.3.3. The Fee for the Service and the breakdown of that Fee, if any;

6.3.8.3.4. The actual or Reference Exchange Rate to be applied to the Payment in case of currency exchange.

6.3.8.4. The Bank shall, upon request, provide the Payer with the following information after execution of the Payment:

6.3.8.4.1. A reference enabling the Payer to identify the Payment and also information about the Payee if such information is present in the Payment Order;

6.3.8.4.2. The amount of Payment in the currency specified in the Payment Order;

6.3.8.4.3. The Fee for the service paid by the Payer, and the breakdown of such Fee;

6.3.8.4.4. The exchange rate applied by the Bank in the Payment if currency exchange was performed.

6.3.8.4.5. The date of receipt of the Payment Order.

6.3.8.5. Upon the Payer's request, the Bank may provide the Payer with the above information in writing or using other Durable Medium. The Payer shall pay the Bank a Fee for provision of said information in writing.

6.3.9. Breakdown of Costs Incurred through Execution of Payment

6.3.9.1. If a Payment is made pursuant to the Payment Services Law and is not connected with currency exchange, the Customer (Payer) shall pay only the Fee levied by the Bank and the Payee shall pay the Fee, if any, levied by his Payment Service Provider. In such an event the full amount of the Payment shall be transferred to the Payee. The Bank shall remit the Payment to Payee's Payment Service Provider with a note *SHA* in the corresponding S.W.I.F.T. message field *Details of Charges*.

6.3.9.2. In Payments, which do not fall within the scope of the Payment Services Law, and if the Customer submits a Payment Order with an indication that the Fee for Payment will be covered by the Payee, all Payment transmission related charges of the involved Payment Service Providers shall be covered by the Payee. The Bank shall remit the Payment to Payee's Payment Service Provider with a note *BEN/SHA* in the corresponding S.W.I.F.T. message field *Details of Charges*. The involved Payment Service Providers shall have the right but not a duty to collect charges from the transferred amount of funds prior to or after the crediting of funds to the Payee's account.

6.3.9.3. If the Customer submits a Payment Order with an indication that all Payment execution related Fees will be covered by the Payer and the execution of such Payment does not fall within the scope of the Payment Services Law, then all Fees shall be covered by the Payer. The Bank shall remit the Payment to the correspondent bank or Payee's Payment Service Provider with indication *OUR* in the corresponding S.W.I.F.T. message field *Details of Charges* instructing the Payee's Payment Service Provider to pay out full amount of the transfer to the Payee. The Bank's liability is limited to this provision. The Bank has no responsibility for non-compliance with the Bank's instructions by Payment Service Providers involved in execution of the money transfer, or for incomplete receipt of the Payment due to other reasons beyond the control of the Bank. The Bank is entitled to collect charges levied by the Payee's Payment Service Provider or other charges related to this money transfer from the Account of the Customer without any prior approval by the Customer.

6.3.9.4. The Bank is entitled to levy a Fee on the Customer (Payee) for incoming Payments. In such an event the Bank is entitled to collect the Fee from the Customer's Account without any prior approval by the Customer.

6.3.10. Operations with Securities Accounts

6.3.10.1. The Customer's order relating to securities' transactions with involvement of money shall also be regarded as the Customer's order in respect of the Customer's Account as part of the transaction.

6.3.10.2. When performing intrabank securities transfers, the Bank shall be deemed to have discharged all obligations arising from the received order in compliance with these Conditions as from the moment when these securities are recorded into the beneficiary's securities account.

6.3.10.3. When performing inter-bank transfers of securities issued in Latvia, the Bank shall be deemed to have discharged all obligations arising from the received order in compliance with these Conditions as from the moment when the securities are debited from the account of the Bank's customers with the Latvian Central Depository.

When performing inter-bank transfers of foreign-origin securities, the Bank shall be deemed to have discharged all obligations arising from the received order in compliance with these Conditions as from the moment when the securities are debited from the account of the Bank's customers with the sub-custodian.

6.4. Closing of Account

6.4.1. The Bank shall have the right to close an Account upon receipt of a written instruction to close the Account from the Customer, as well as in other cases contemplated in the relevant Contract, Terms of Services and these Conditions.

6.4.2. The Bank shall have the right to close an Account without any prior notice to the Customer thereof if the Customer has not performed any operations in the Account for more than 12 (twelve) months and the Account balance is not positive or is equivalent to 0 (zero).

6.4.3. The Bank is authorized to close Accounts, to terminate other Services and refuse any Services to the Customer or a person related to the Customer (including any person, who is the Customer's former or present representative under law or contract, beneficial owner, officer, or who is otherwise linked to the Customer, including any person having, or having had, a direct or indirect equity participation in the Customer), if the Customer or the person related to the Customer commits or has committed, in the opinion of the Bank, an illegal, unfair or unethical act towards the Bank, or compromises, insults, offends or libels the Bank or its officers, or otherwise gives grounds for the Bank to consider further business relations with the Customer or their representative as (potentially) disrespectful, unworthy, or harmful or even destructive to the good name and reputation of the Bank, as well as in cases when Bank is misled at the time of the opening of account by presentation of forged documents.

6.4.3. The Conditions and the Bank's Price List shall, in respect of claims between the Bank and the Customer, survive the closing of Account.

6.4.5. The Customer shall be obliged to release the Bank from all the obligations arising from the Customer's orders, and to reimburse the Bank for all expenses and losses incurred to the Bank and to provide the necessary collateral if necessary.

6.4.6. The documents submitted for opening of the Account and performing Banking Operations will not be returned to the Customer.

7. SECURITY REQUIREMENTS AND RESPONSIBILITY

7.1. Customer's Duties in Relation to Use of Payment Instrument

7.1.1. A Customer who is authorized to use a Payment Instrument undertakes:

7.1.1.1. to use the Payment Instrument in compliance with the relevant Terms of Service and legislation in force in the Republic of Latvia;

7.1.1.2. as soon as it becomes known that a Payment Instrument is lost, stolen or misappropriated or has been subject to unauthorized use, to notify the Bank, without undue delay, according to the procedure agreed between the Parties in Contracts or according to the Terms of Services.

7.1.2. The Customer shall take all steps necessary to keep the Payment Instrument's personalized security elements (incl. Means of Identification) safe (incl. in compliance with any special requirements laid down in the Terms of Service).

7.2. Disabling of Payment Instrument and Suspension of Banking Operations in the Account

7.2.1. The Bank reserves the right to suspend Banking Operations in an Account or suspend the operation of a Payment Instrument at any time:

7.2.1.1. If reasonable doubt exists as to the safety of funds in the Account or potential risks related to the safety of the Payment Instrument; suspicion about unauthorized or fraudulent transactions in the Account or with the Payment Instrument;

7.2.1.2. if the Customer is in breach of the terms of an existing Contract(s);

7.2.1.3. If the Bank holds information that the Payment Instrument has been stolen, lost or reasonable suspicion exists that the personalized security elements of the Payment Instrument may have become known to any Third Party and such Third Party has used or may use the Payment Instrument for executing unauthorized or unlawful transactions;

about a potential, imminent or existing threat from the Customer or Third Party or about other circumstances, which stand beyond direct or indirect influence or control of the Bank and which may affect the safety, integrity, confidentiality or services of the Customer and/or other Customers of the Bank, or which may cause a loss to the Bank.

7.2.1.4. In the events set out in legislation in force in the Republic of Latvia, Terms of Services or the Contract.

7.2.2. In the events referred to in clause 7.2.1 of these Conditions, the Bank shall notify the Customer in the manner set forth in the Terms of Service or Contract or using other means of communication acceptable to the Bank, incl. telephone, e-mail or Internet Banking, about the disabling of the Payment Instrument, making all reasonable effort to inform the Customer thereof prior to the disabling of the Payment Instrument or, where this is not possible, after the disabling of the Payment Instrument, unless such notification of the Customer is not permitted for security reasons or for compliance with requirements of legislation in force in the Republic of Latvia.

7.2.3. The Payment Instrument or access to the Account shall be disabled on the Customer's initiative if the Customer gives a relevant instruction to the Bank in writing or in other manner agreed by the Parties in Contract or by giving a Notice according to clause 7.1.1.2 above, in which case the Bank reserves the right to demand that the Customer's oral instruction be also confirmed in writing as soon as possible. The Bank also reserves the right, when accepting from an unidentified Customer an instruction to disable the Payment Instrument or an instruction for suspending Account operations, to demand Customer identification information. In case of reasonable doubt arising to the Bank as to the validity of the instruction given, the Bank reserves the right not to comply with such an instruction. In such an event the Bank will not incur any legal liability.

7.2.4. Unless important obstacles to do so exist, the Bank shall re-enable the Payment Instrument or replace the Payment Instrument with a new Payment Instrument on the basis of the Customer's application as soon as no reason exists for the Payment Instrument being disabled. If, as a result of disabling of the Payment Instrument, the Payment Instrument cannot be recovered or other important circumstances occur, the Customer shall pay a Fee for renewal of the Payment Instrument.

7.2.5. The Bank shall not be liable for any loss incurred by the Customer in case of disabling of the Payment Instrument if the Bank acted in compliance with these Conditions / Terms or Service or the requirements set forth in a Contract.

7.3. Notifying the Customer about Unauthorized or Incorrect Payments

7.3.1. The Customer shall have a duty to see and check the Account Statement at least once a month. A failure to inspect the Account Balance shall not release the Customer from performance of his duties.

7.3.2. The Customer shall immediately notify the Bank about unauthorized or incorrect Payments or other inconsistencies in the Account which the Customer has found no later than 60 days after the day of such unauthorized or incorrect Payment having been made.

7.3.3. If the Customer is a Consumer and the Payment is made in a Member State currency to other Payment Service Provider in a Member State, the Customer has a duty to promptly notify the Bank in writing about unauthorized or incorrect Payments (in compliance with the time limit set in clause 7.3.2 of these Conditions but if complying with that time limit is impossible, then no later than 13 months after the Account was debited).

If the Customer is not a Consumer and/or Payment is made in a Member State currency to a Third Country or the Payment is made in a Third Country currency, then the Customer shall have a duty to comply with the notification time limit set in clause 7.3.2 of these Conditions.

7.3.4. If the Customer fails to notify the Bank about an unauthorized or incorrect Payment as and when set forth in clauses 7.3.2 – 7.3.3 of these Conditions, the Payment shall be considered to be fully authorized by the Customer.

7.4. Customer's Responsibility in Unauthorized Use of Payment Instruments and Bank's Responsibility for Unauthorized Payments

7.4.1. If the Customer, who is a Consumer, denies to have authorized an executed Payment or claims that a Payment has been executed incorrectly, the Customer shall have a duty to submit an reasoned application to the Bank, while the Bank shall have a duty to prove that the Payment was authenticated, accurately registered and recorded in Accounts and was not affected by any technical errors or other flaws.

7.4.2. If the Customer denies to have authorized the Payment (given his Consent to execution of Payment), then the use of Payment Instrument shall be considered to constitute sufficient proof that the Customer has consented to the Payment or has acted fraudulently or has failed to perform, deliberately or through negligence, a duty set out in clause 7.1.1 – 7.1.2 of these Conditions.

7.4.3. Upon receipt of a Notice from the Customer (in compliance with provisions of clause 7.3.2 – 7.3.3 of these Conditions) and having found that a Payment has not been duly authorized, the Bank shall reimburse the Customer for the loss thus incurred, by refunding the amount of the unauthorized Payment or by restoring the debited Account of the Customer to the state it would have been had the unauthorized Payment not taken place except cases where responsibility for the unauthorized Payment lies with the Customer himself (clause 7.4.4 – 7.4.7 of these Conditions).

7.4.4. If the Customer (Payer) is a Consumer, the Customer bears responsibility for loss in the amount of up to 150 (one hundred fifty) euros or equivalent in Latvian lats, if such loss is incurred:

7.4.4.1. as a result of use of a stolen or lost Payment Instrument;

7.4.4.2. through the Customer's failure to keep the personalized security elements safe, due to which misappropriation of the Payment Instrument was possible.

7.4.5. If the Customer (Payer) is not a Consumer and/or the Payment was made in a Member State currency to a Third Country or the Payment was made in a Third Country currency, then the Customer assumes responsibility for all loss incurred as a result of use of stolen or lost Payment Instrument, unless the Terms of Service and/or Contract stipulate otherwise.

7.4.6. The Customer bears responsibility for all loss incurred as a result of an unauthorized Payment if the Customer (Payer) has acted unlawfully or has failed to comply, deliberately or through negligence, with one or several obligations set out in clauses 7.1.1 – 7.1.2 of these Conditions.

7.4.7. If the Customer has given the Bank a Notice (in compliance with the procedure prescribed by the Bank) about the Payment Instrument having been lost, stolen or used without authorization, the Bank shall reimburse the Customer for loss incurred through use of the Payment Instrument after notification of said facts to the Bank, except cases when the Customer himself has acted unlawfully or in cases set out in clause 7.2.3 of these Conditions. This clause of the Conditions shall not apply in relations with Customers who are not Consumers.

7.4.8. If the Bank has not provided the possibility for the Customer to notify the Bank about the Payment Instrument having been lost, stolen or otherwise misappropriated pursuant to the procedure prescribed in the Terms of Services, the Bank shall reimburse the Customer for loss incurred through the use of the Payment Instrument, except in cases when the Payer himself has acted unlawfully or negligently. This clause shall not apply in relations with Customers who are not Consumers.

7.4.9. If the Payer makes a claim to the Bank concerning an unauthorized Payment where the Payee is a Customer of the Bank, then such a Customer (Payee) shall have a duty to provide, upon the first request of the Bank, funds in the Account to refund the Payer the amount debited as a result of such Payment. The Bank shall have the right to debit the Account of the Customer (Payee) without any prior notice.

7.5. Bank's Responsibility in Execution of Correct Payments

7.5.1. A Payment Order shall be considered to have been executed correctly if it is executed according to the Unique Identifier stated in it. The Bank shall have the right but not an obligation to check whether the Unique Identifier (Account number - in a Payment Order) matches the Account holder's first name, surname or legal name.

If a Customer has specified an incorrect Unique Identifier, the Bank shall not be responsible for non-execution or incorrect execution of the Payment.

If the Bank performs a check and finds any inconsistency between the Account holder's first name, surname or legal name and the specified Unique Identifier, then the Bank shall have the right but not an obligation to refuse execution of the Payment.

If the Payment, based on the incorrectly specified Unique Identifier, was nevertheless executed, the Bank shall, on the initiative of the Payer, attempt to recover the amount of the incorrectly executed Payment. The Bank shall have the right to collect a Fee from the Service user for the process of recovering the funds also in cases when funds are not recovered.

7.5.2. If the Payment Order was submitted by Payer, then his Payment Service Provider shall be responsible to the Payer for correct execution of the Payment unless the Payer's Payment Service Provider and, where appropriate, the Payee's Payment Service Provider is able to prove that the Payee's Payment Service Provider received the amount of Payment. If the Payer's Payment Service Provider is able to prove that the Payee's Payment Service Provider has received the amount of Payment, the responsibility for correct execution of Payment shall rest with the Payee's Payment Service Provider.

7.5.3. If the Bank, as the Payment Service Provider of the Customer (Payer), becomes responsible for execution of Payment according to clause 7.5.2 of the Conditions, the Bank shall immediately refund the Customer the amount of the incorrectly executed Payment or restore the debited Account to the state it would have been had the incorrect Payment not been executed.

7.5.4. If the Bank, as the Payment Service Provider of the Customer (Payee), becomes responsible for execution of Payment according to clause 7.5.2 of the Conditions, the Bank shall immediately make the amount of the Payment available to the Customer (Payee) or transfer the amount to the Account of the Customer (Payee).

7.5.5. If the Payment has not been executed or has been executed incorrectly, the Bank shall, upon the Customer's request, attempt to trace the Payment and notify the Customer of the outcome.

7.5.6. Where a Payment Order is initiated by or through the Payee, the Bank shall, if it acts as the Payee's Payment Service Provider, be liable to the Customer (Payee) for correct transmission of the Payment Order to the Payment Service Provider of the Payer.

7.5.7. If a Payment Order given by the Customer (Payee) has not been executed or has been executed incorrectly, the Bank shall attempt to trace the Payment and notify the Customer of the outcome.

7.5.8. The Bank shall reimburse the Customer for any cost incurred due to a non-executed or incorrectly executed Payment (for instance, by refunding the Fee paid).

7.5.9. The rights provided for in clauses 7.5.2 – 7.5.8 of the Conditions shall only apply to Customers, who are Consumers, and Payments made in a Member State currency to a Member State or received from a Member State. In other cases where the Customer is not a Consumer, the Payment is made in a Member State currency to/from a Third Country or the Payment is made in a Third Country currency, the Bank shall be liable for incorrectly executed Payments only in case the Payment was made incorrectly through the fault of the Bank. The Bank shall not be liable for any mistakes or errors made by Third Parties in execution of Payments.

7.5.10. The Bank bears no liability for any additional costs or indirect loss which may have been incurred by the Payer and/or Payee.

7.5.11. In case of cash disbursement, the received cash shall be checked immediately by the Customer in the presence of the Bank's employee issuing the cash. Any subsequent objections or claims of the Customer shall not be accepted.

7.6. Preconditions for Compensation if Payment is Initiated through Payee

7.6.1. A Customer (Payer – Consumer) shall be entitled to a refund of the full amount of an authorized and already executed Payment from the Bank if the Payment was initiated by the Payee and if:

7.6.1.1. an inaccurate amount of Payment was given in authorization of the Payment, and

7.6.1.2. the amount of the Payment exceeded the amount the Customer (Payer) could reasonably have expected in respect of the Payment taking into account his previous spending pattern, the conditions in his Contract for respective Service and relevant circumstances of the case, excluding Payments related to currency exchange if an exchange rate agreed upon by the Parties has been applied. If the Customer (Payer), at the time of giving Consent to execution of Payment (e.g. in case of Direct Debit payments), has specified the maximum amount of Payment (also applies to recurring consecutive Payments), the Bank will treat such maximum limit set by the Customer (Payer) as a reasonably accepted maximum amount of Payment that the Customer had expected upon entry into Contract.

7.6.2. The Customer, upon the Bank's request, shall have a duty to supply the information referred to in clause 7.6.1.1 and 7.6.1.2 and proof substantiating the claims of the Consumer.

7.6.3. The Customer (Payer) shall not be entitled to the refund where the Payment in question was initiated by the Payee if:

7.6.3.1. The Customer gave his Consent to execution of the Payment directly to the Bank, and

7.6.3.2. The Bank or the Payee, at least four weeks before the due date of payment obligations of the Customer (Payer) to the Payee, has provided or made available to the Customer (Payer) information about that Payment in an agreed manner or information about the Payment was available at least 4 weeks before execution of Payment.

7.6.4. The Customer (Payer – Consumer) can request the refund of an authorised Payment initiated by or through a Payee for a period of eight weeks from the date on which the funds were debited from the Account.

7.6.5. Within 10 (ten) Banking Days of receiving a request for a refund and the Customer's explanations (incl. documents where appropriate), the Bank shall either refund the full amount of the executed (revoked) Payment or provide justification for refusing the refund, indicating the procedure, according to which the Customer (Payer – Consumer) may object to the Bank's decision. The Bank reserves the right the repay to the Customer (Payer) the revoked Payment without performing the checks referred to in clause 7.6.1.2 and 7.6.3 of the Conditions and without making certain that the preconditions for revocation of the Payment exist. The Bank shall not refund the Fee for a revoked Payment also if the Bank returns to the Account of the Customer (Payer) the funds debited as a result of execution of Payment.

7.6.6. If, in the events referred to in clause 7.6.1 of the Conditions, the Bank's customer is the Payee, then the Payee shall, without undue delay upon the Bank's request, submit to the Bank the requested information and Documents justifying execution of the Payment. If the Bank refunds the Payer the amount of the revoked Payment as stipulated in clauses 7.6.1 – 7.6.5 of the Conditions, the Customer (Payee) shall have a duty to provide funds in his Account for repayment of the Payment. The Customer further agrees that the Bank has the right, without seeking the Customer's prior approval, to debit the Customer's Accounts if the Bank refunds a revoked Payment to the Customer (Payer).

7.6.7. Clauses 7.6.1 – 7.6.5 of the Conditions shall not apply in cases where the Payer is not a Consumer and in such an event the Customer (Payer) shall have no right to revoke an executed Payment.

A Customer (Payer) shall not be entitled to the refund of the full amount of an executed Payment as set forth in clause 7.6.1 above if the Payment was made in a Member State currency to a Third Country or the Payment was made in a Third Country currency.

8. PAYMENT FOR SERVICES, REIMBURSEMENT FOR EXPENSES, AND THE CURRENCY OF BANKING OPERATIONS

8.1. Services provided by the Bank to the Customer as part of the Banking Operations are paid services of the Bank, payment for which can be set as Fees, interest, etc.

8.2. The amount and procedure of payment for services rendered to the Customer are determined by the Price List in force at the time of rendering the service, except where the amount and procedure of payment for such services is stipulated in contracts existing between the Parties. The Price List of the Bank is available to the Customer for inspection at the Bank's premises during its business hours of the Bank, on Internet Banking and on the Bank's website.

8.3. If the Customer fails to pay a Fee or other remuneration due to the Bank as agreed by the Parties, the Bank shall have the right to discontinue delivery of Services to the Customer without warning.

8.4. For services which are not covered by the Price List but were necessary for fulfilment of the Customer's instruction, the Bank may set a reasonable and fair charge unless agreed otherwise with the Customer. If the Bank and the Customer have agreed on the type of service to be rendered and the respective charge prior to the service being provided, the Customer shall have no right to dispute the amount of the charge.

8.5. If the Bank has used a Third Party service at the Customer's expense, the Bank shall present to the Customer for payment all documentary proof of the expenses thus incurred, and the Customer shall have a duty to pay the Bank all expenses shown in the documents presented.

The Customer shall also reimburse the Bank for all expenses incurred in connection with performing actions needed for the Banking Operations, as well as all and any ancillary costs such as duties, taxes, etc.

The Bank shall be entitled to obtain, at the Customer's expense, any information, documents and other proof that may be necessary for performing Banking Operations, obtaining information on the Customer, checking the information provided by the Customer and for checking, managing or alienating the collateral offered by the Customer, as well as for obtaining statements from registers, confirmations from institutions, insurance documents, material evidence, etc. The Bank is entitled to cover all expenses incurred through obtaining the information by debiting the Customer's accounts without the consent of the Customer.

8.6. Demands by competent public authorities and officials for information about the Customer, Customer's deposits and Banking Operations, as well as demands for collection or attachment of the Customer's financial means and other demands provided for in laws and regulations of the Republic of Latvia shall be complied with by the Bank at the expense of the Customer. The charges set in the Bank's Price List, as in force at the time of satisfying such a demand, for satisfying the demands contemplated in this clause may be debited by the Bank from the Customer's accounts without any prior notice to the Customer.

8.7. The Bank shall make a corresponding entry of outgoing or income payment in the Customer's Account for the aforesaid fees and expense reimbursements.

8.8. If the Customer is not a Consumer and/or the Payment in question is made in a Member State currency to a Third Country or is received from a Third Country or if the Payment in question is made in Third Country currency, the Bank's duties to inform, as set forth in Chapters VII-IX of the Payment Services Law, shall not be applicable to such Customer and the Customer shall pay the Bank a Fee for the receipt of information in accordance with the Price List, Terms of Services and Contracts.

8.9. If, as a result of execution of a Payment, an unauthorized debit balance (i.e. any unauthorized balance in the Account) arises in the Account, the Customer shall incur an obligation to pay the Bank the unauthorized debit balance fee (interest) as per Price List for the period of time for which there was an unauthorized debit balance in the Account.

8.10. Banking Operations shall be performed in the currency agreed upon in the relevant contract of the Parties. If no currency is specified in the contract, then Latvian lats (LVL) will be presumed to have been intended. However, the Bank reserves the right to perform the particular Banking Operation in other currency if performance of the operation in the specific currency is impossible due to circumstances for which the Bank is not responsible or which occurred through no fault of the Bank.

Changes in Reference Interest Rate, exchange rate or Reference Exchange Rate shall be applied by the Bank immediately without any prior notice to the Customer. Information about such changes shall be available at the premises of the Bank and on the Bank's website.

9. COLLATERAL

9.1. Object of Collateral

9.1.1. The Customer shall take all and any steps necessary to indemnify the Bank against any liability for orders given to the Bank by the Customer, and shall, upon request of the Bank, reimburse the Bank for all loss, expenses and obligations incurred by the Bank through gross negligence, bad faith or default on obligations by the Customer.

9.1.2. All of the Customer's financial means (such as cash, securities), present and future, in the Customer's accounts with the Bank are pledged to the Bank as a financial collateral and serve as a security. The collateral shall cover all of the Customer's obligations to the Bank, including payment for services rendered by the Bank, the Bank's costs, expenses, interest and losses that may be payable to the Bank. In the event of the Customer's failure to provide in due time the funds required for payments in the current account, and also in all other events when a claim arises for the Bank against the Customer, the Bank shall have the right to satisfy such claim by enforcing the financial collateral. The Bank shall have the right, without any prior notice to the Customer, to debit (transfer) the amount payable from any of the Customer's accounts with the Bank or funds that are otherwise due to the Customer, as well as the Bank shall have the right to convert these funds on behalf of the Customer, without any prior notice to the latter, at the Bank's exchange rate then in force.

9.1.3. Any assets that have come into the Bank's possession, holding or use shall be regarded as collateral for performance of the Customer's obligations to the Bank until and unless such obligations are performed. The Customer shall be obliged to ensure maintenance of the objects of the collateral, to receive interest from such objects, and to provide the Bank with information requested by it in writing.

9.1.4. The Bank shall have the right (if considered necessary by the Bank) to request the Customer to provide a collateral for performance of his obligations to the Bank or (if it is already provided) to increase the existing collateral even if the obligation is conditional.

9.2. Alienation of the Object of Collateral

9.2.1. In case of default on or undue performance of the Customer's obligations to the Bank, the Bank shall have the right to enforce collection against any of the aforesaid objects of collateral or other objects of collateral (tangible or intangible assets) offered or made available by the Customer to the Bank, by taking the possession of such objects, and to alienate or use such objects of collateral without any prior or express notice thereof to the Customer unless otherwise agreed by the Parties. The Bank shall also have the right to enforce collection against the object of collateral before the secured obligation becomes due for performance if the Customer does not comply with the Bank's request to provide or to increase the collateral securing performance of the Customer's obligations as and when required by the Bank.

9.2.2. As from the time of signing of the Banking Operation document or giving the order giving rise to obligations, for the performance of which the collateral is being alienated, the Customer instructs the Bank to sell the respective objects of collateral at a price of its own choosing. In such an event (if the Bank exercises the said right granted by the Customer, and enforces collection against the objects of collateral (tangible or intangible assets) out of court and without auction), the Bank shall act as a proxy of the Customer. The Bank shall have the right to choose the sequence of alienation.

9.2.3. The proceeds of alienation or use of the collateral shall be distributed by the Bank at its sole discretion between a number of obligations under various Contracts, observing the following succession: firstly, towards covering the expenses in connection with storage and transportation of the item(s) alienated, publishing of advertisements (if necessary), expert and specialist fees and alienation of the item(s) / enforcement of rights; secondly, towards payment of any outstanding interest payable by the Customer to the Bank; thirdly, towards performance of any punitive measures and/or other duties of the Customer to the Bank that may result from delays in and/or default on the Customer's obligations (payment of contractual penalty, earnest money); fourthly, towards repayment of the principal amount owed. Any funds remaining after alienation of the object of collateral or enforcement of rights and after distribution of the proceeds shall be paid out to the Customer, giving a notice thereof to him within five days. If the Customer, his legal successors or legatees cannot be found, such assets shall be held at the Bank. The Bank shall charge the Customer a fee for holding of such assets and collect it from the amount of the Customer's funds held with the Bank.

The Bank shall have the right to receive and to use interest from the object of the collateral.

10. WITHDRAWAL FROM THE AGREEMENT

10.1. Unless other period for unconditional unilateral withdrawal by the Bank is stipulated in the Conditions, relevant Contract or Terms of Services, the Bank shall be entitled to withdraw from any contract existing between the Parties without reimbursing the Customer for any loss by giving a 30 (thirty) days' prior notice to the Customer, and a 60 (sixty) days' prior notice if the Customer is a Consumer.

10.2. The Bank shall be entitled to withdraw from any contract existing between the Parties without any prior notice and without reimbursing the Customer for any loss, if the Customer has furnished false, incorrect or incomplete information regarding his identity or financial standing, if the Customer fails to comply with a reasonable request by the Bank to provide or to increase the collateral for the Customer's obligations as and when required by the Bank, as well as in other cases specified in a particular agreement between the Parties.

10.3. The Bank shall have the right not to serve the Customer if the Customer is in a condition of alcoholic intoxication or under influence of toxic substances, as well as if the Customer is unable to be aware of his actions, or the behaviour of the Customer is inappropriate and disturbs the work of the Bank.

11. INHERITANCE

In the case of death of the Customer, the Bank shall be entitled to require that persons claiming the Customer's assets at the Bank provide, while such persons shall have a duty to provide the Bank with, documentary evidence of their inheritance right to the inheritance left by the Customer, which evidence must, in form and substance, comply with the legislation of the Republic of Latvia. The Bank shall be entitled to verify the authenticity, validity and completeness of the submitted documentary evidence at the expense of such persons.

12. PROVISION OF INFORMATION

12.1. The Bank confirms that any information about the Customer in connection with Banking Operations shall be treated as confidential. The Bank shall provide information about the Customer in accordance with legislation of the Republic of Latvia and exclusively to specific persons, pursuant to the due procedure and in the required amount.

12.2. The Bank shall be entitled to disclose to third parties information about Customers who have failed to duly perform any agreements with the Bank, including for including such information in payment default registers, obligation discipline registers and credit history registers or for making public otherwise insofar as such may be necessary for compliance with obligations or for facilitation thereof.

12.3. The Bank shall have the right to provide information about the Customer and transactions undertaken:

12.3.1. to Swedbank Group companies (any Swedbank AB, registered with the Companies Registry of the Kingdom of Sweden under No. 502017-7753, Group companies, undertakings or business units, including those registered in non-member states of the European Economic Area),

12.3.2. to companies belonging to the Bank's Group, to such other undertakings or companies, which have acquired a substantial equity participation, direct or indirect, in the Bank or in which the Bank or any Swedbank Group company has acquired a direct or indirect participation,

12.3.3. to the Bank's and Swedbank Group company's personal data protection officer registered with the Data State Inspectorate of the Republic of Latvia,

12.3.4. to personal data operators registered with the Data State Inspectorate of the Republic of Latvia at the extent such information may be required for execution of functions delegated to them.

12.4. The Bank shall have the right to furnish and receive information about the Customer to and from such third parties, to whom the Bank has delegated, under a contract, the performance of certain functions or delivery of services, which are necessary for provision of services and activities of the Bank. In such events the Bank

shall furnish to or receive from third parties information about the Customer at the extent as may be required to provide the relevant service of the Bank.

12.5. The Bank shall have the right to furnish information to and receive information from the Bank of Latvia as and when prescribed in the Credit Register Regulations. The Customer shall have the right to receive information contained in the Credit Register about himself, subject to the procedure stipulated in the Bank of Latvia's Credit Register Regulations. The Credit Register Regulations of the Bank of Latvia are available on the website of the Bank of Latvia.

12.6. Information about the Customer and the Customer's transactions may be passed to the competent state institutions of the member states of the European Union, European Economic Area, Organization for Economic Cooperation and Development and other countries for the performance of functions set forth in legislation binding on such institutions, as well as to correspondent banks for execution of Customer's orders or Banking Operations or for execution of duties laid down in applicable legislation.

13. FORCE MAJEURE

13.1. The Bank shall have a duty to execute Customer's orders with due diligence and to protect the Customer's interests insofar as reasonably possible and insofar as legally required to.

13.2. The Bank shall not be responsible for a default on or partial performance of its obligations under agreements if the reason of the default is a result of *force majeure* (e.g. amendments or additions to laws or regulations, adoption and/or entry into force of new laws or regulations, natural calamities and catastrophes, warfare, strikes, failures in means of communication or information systems) and other circumstances standing beyond the reasonable control of the Bank.

13.3. The Bank shall be liable for the actions of its employees insofar as that action has taken place during the Bank's business hours and as part of performing their job duties and complying with instructions of the Bank's management.

14. DISPUTES

All potential disputes and disagreements between the Bank and the Customer shall be resolved through negotiations. If no agreement can be reached, the dispute shall be resolved at a court of law pursuant to legislation of the Republic of Latvia or at arbitration court if stated so in the respective contract between the Parties.

Consumers shall have the right to complain to the Ombudsman of the Association of Commercial Banks of Latvia about the Payment Services provides and about causing execution of Payments in accordance with the procedure prescribed in legislation of the Republic of Latvia. The filing of a complaint with the Ombudsman will not be regarded as a necessary condition for the Customer to bring action to court.

15. MISCELLANEOUS

15.1. The Bank shall have the right to perform the processing (such as collection, storage, registration, entering, transfer, transmission) of the personal data of the Customer, the Customer's representative, represented person, beneficial owner and other third parties related to the Customer, as well as to receive personal data and other information from third parties (including, without limitation, from the central database of the Population Register of the Ministry of Interior, the State Revenue Service, State Social Insurance Agency and other state and municipal institutions and companies, cooperation partners, Credit Register of the Bank of Latvia) and to process such data.

For processing of personal data, the Bank shall use the personal data processing system "Central System of the Bank" registered with the Data State Inspection of the Republic of Latvia (registration No. 1502; hereinafter – the Bank's System). The controller of the Bank's System is the Bank, and the purpose of its operation and data processing is to keep a register of customers, to render, offer and maintain services.

The Bank's System has personal data operators registered with the Data State Inspection of the Republic of Latvia, the list of whom is available on the Bank's website at <http://www.swedbank.lv> or the Bank's customer service locations. The Bank has the right to change the personal data operators at its own discretion by registering them pursuant to laws and regulations of the Republic of Latvia and by publishing their list on the Bank's website.

15.2. The Customer undertakes to exercise due diligence in ensuring that the confidential information of the Customer or his authorized representative (user) does not become available to third parties. It shall be the duty of the Customer to use only secure (licensed, registered, adequately protected, commonly known and recognised) commercial electronic communication services, electronic communication networks, domains, means of communication and data transfer, equipment, components of requirement, software. It shall be the duty of the Customer to use any confidential information with caution and take the precautionary measures required by the Bank in selecting and using the services of electronic communications companies, electronic communication networks, top and other level domains, numbering plans, operating systems, application software, their parts and components, as well as physical and logical protection, including those provided for in the Bank's website www.swedbank.lv (which is the only top level domain of the Bank's website). When visiting the Bank's website, the Customer shall have a duty to read and comply with the terms of use of the Website "Terms of Use of Website".

15.3. The premises of the Bank shall be considered as the place of execution of Banking Operations between the Bank and the Customer.

15.4. The legal relations between the Bank and the Customer shall be governed by legislation of the Republic of Latvia.

15.5. If dissolution or bankruptcy of the Bank is started, as well as in other cases prescribed in laws and regulations of the Republic of Latvia, the Customer shall be entitled to the guaranteed compensation for the Customer's deposits with the Bank in the amount and subject to the procedure prescribed in the Deposit Guarantees Law.

15.6. In the event of disputes, arguments or claims of linguistic nature or concerning interpretation, the Latvian language version of the Conditions, other terms of the Bank and respective documentation of Banking Operations, the legal doctrine and court practice of the Republic of Latvia shall prevail, unless stated otherwise in the terms of the Banking Operation in question. If these or any other documents are available in different languages, the text in Latvian language shall prevail, while their wording in other languages shall be considered as translation of the Latvian text only.

15.7. The Bank shall draft and lay down the Conditions, Price List and Terms of Services. Unless agreed otherwise by the Bank and the Customer, the Bank reserves the right to amend the Conditions and/or Price List and/or Terms of Services and/or Contracts at its sole discretion.

If the Customer is a Consumer and Contract between the Parties does not stipulate otherwise, the Bank shall inform the Consumer about changes in the Terms of Services and Price List via Internet Banking, in writing or using any other Durable Medium 60 days before such changes come into force. The Parties have agreed that if the Consumer will be considered to have agreed to the change if, within 60 days of receiving the Notice, the Consumer has not notified the Bank of its objections to the change and has not demanded termination of the respective Contract.

The Bank shall be authorized not to observe the said period of notification if changes in the Price List are favourable to the Customer. Setting a Fee for new Services of the Bank shall not be regarded as a change unfavourable to the Customer.

The Customer has the right to inspect the Conditions at the premises of the Bank during business hours of the Bank as well as on the Bank's website.

15.8. Every part of the Conditions shall be construed as severally valid, however, should any part of the Conditions (clause or paragraph) become illegal, invalid or unenforceable due to amendments to legislation of the Republic of Latvia, that part of the Conditions shall be invalid and unenforceable only as far as the said prohibition is concerned and it shall not undermine the binding force of any other parts of the Conditions.

15.9. Headings and numeration of the Conditions are used for the purpose of ease of reference and convenience only; they shall not be applied in the interpretation of the text of the Conditions or in interpretation of the meaning of the Conditions.

15.10. The Conditions shall be binding on and applicable not only to the Customer but also to every legal successor of the Customer, irrespective of any changes in the Customer's personnel or authorised representatives.

15.11. The provisions of first paragraph of Section 77, third paragraph of Section 80, and Section 85, 87, 88, 89, 92 and 99 of the Payment Services Law shall not be applied by the Bank to Customers who are not Consumers.