

# Terms of Remote Banking Services

## 1. Definitions

Bank	"Swedbank" AS, reg. No. 40003074764
Customer Agreement	a natural or legal person, who has entered into the Agreement
Account	Remote Banking Services Agreement entered into by and between the Customer and the Bank, and the present Terms
User	Customer's account(s) with the Bank, which is or are connected to Remote Banking Services
User Number	an individual specified in the Agreement and authorized by the Customer to use Remote Banking Services to the extent stated in the Agreement
Remote Banking Services	Internet Banking, Telephone Banking, Mobile Banking
Internet Banking	a service, which allows giving instructions for execution of Operations, by using the Bank's online forms and Internet-based technical solutions
Telephone Banking	a service, which allows giving instructions for execution of Operations, by contacting the operator via telephone communication
Mobile Banking	a service, which allows giving instructions for execution of Operations, by sending from a mobile phone a text message (SMS) of contents defined by the Bank to a service number set by the Bank
Limit	the maximum permitted amount up to which a User, by giving an instruction for execution of a payment or a transfer, is allowed to debit the Account, subject to conditions set out in the Price List and the Agreement
Price List	the price list in force for services rendered by the Bank
Operation	execution of a payment or a transfer, transactions with money or securities in Accounts, entry into an agreement, and acceptance of an application or notification by the Bank, or such other action as the Bank or a Cooperation Partner may offer to be executed via Remote Banking Services
Terms of Operations	the agreement for opening and servicing an account, the General Conditions of the Bank, the Price List, and such other terms and conditions for performing Operations as the Bank, or a Cooperation Partner, and the Customer have agreed in paper-based form or via Remote Banking Services
Cooperation Partner	a cooperation partner approved by the Bank, who has entrusted to the Bank the offering of its services or the execution of Operations in accordance with transactions made, or to be made, between the Cooperation Partner and the Customer, or the agreeing, on behalf of the Cooperation Partner, on electronic signing or certification of documents.

## 2. General

- 2.1. The Agreement governs the procedure for using Remote Banking Services. Operations shall be performed in accordance with the Terms of Operations.
- 2.2. Remote Banking Services are available in the following modes:
- 2.2.1. Remote Banking Services are available for natural persons in:
- information-only mode – the User can prepare and obtain information, statements and reports about Accounts and Operations;
  - full-access or transactions mode – the User can prepare and obtain information, statements and reports about Accounts and Operations, give instructions for execution of any Operations.
- 2.2.2. Internet Banking for legal persons is available in:
- payment preparation mode – the User can prepare instructions for execution of payments and transfers;
  - information-only mode – the User can prepare and obtain information, statements and reports about Accounts and Operations, and prepare instructions for execution of payments and transfers;
  - transactions mode – the User can prepare and obtain information, statements and reports about Accounts and Operations, prepare and confirm instructions for execution of payments and transfers;
  - full-access mode – the User can prepare and obtain information, statements and reports about Accounts and Operations, give instructions for execution of any Operations.
- 2.2.3. In other modes as defined in an other agreement between the Bank, or a Cooperation Partner, and the Customer.
- 2.3. Where the Customer is a natural person, the web address for accessing Internet Banking on the computer is <https://ib.swedbank.lv>. Where the Customer is a legal person, the web address for accessing Internet Banking on the computer is - <https://business.swedbank.lv>.
- 2.4. Telephone Banking is available by calling an operator on 67444444 on business hours set by the Bank.
- 2.5. Mobile Banking is available to customers of mobile operators set by the Bank, with mobile telephone devices with functionality for receiving and sending text messages (SMS).

## 3. User Identification

- 3.1. Upon registration, the Bank will designate a User Number to the User and, at the option of the Customer, will either give the Customer a permanent password and User identification codes (code card) or, alternatively, connect a security token device. The code card, permanent password or security token may be exchanged/renewed/connected upon request of the Customer or the User at any of the Bank's branches.
- 3.2. In Telephone Banking, the Bank will identify the User by User Number and identification code from code card, or access code generated by security token. In Internet Banking, the Bank will identify the User by User Number, permanent password and identification code from code card, or by User Number and access code generated by security token. In Mobile Banking, the Bank will identify the User by the mobile phone's connection number registered for the service. For making payments, which are not indicated on the Price List or do not meet the limits set out in the Price List, the User will additionally be identified by identification code from the code card or access code from the security token. In case the Customer has set for the account a one-day Limit higher than that set in the Price List, the User will be identified by the User Number and an access code from security token only. Where the User and the Customer is one and the same natural person, or where the User is the authorized signatory of a legal person, who is a party to this Agreement, and has their signatory rights registered with the Bank, the Bank will be entitled to identify the Customer by the User Number issued to such User, the permanent password and identification code from the code card, or, alternatively, by the User Number and access code from the security token.
- The Customer agrees that the User may be granted other means of identification (passwords, identifiers, etc) in the use of Remote Banking Services for execution of separate Operations under the Terms of Operations.
- 3.3. Where the User instructs the Bank to block access to Remote Banking Services, the Bank will be authorized to identify the User by the User Number and such other information as may be at the possession of the Bank and the User.
- 3.4. The User Number, permanent password, identification codes from the code card, PIN from the security token, and access codes from the security token shall constitute confidential information, which the User and the Bank undertake to keep secret and prevent access thereto for third parties. The User Number may be disclosed to other customers of the Bank when a User is granted the right to use the said Bank customer's Remote Banking Services or other remote services offered by the Bank (electronic settlements system for businesses, E-Teller, etc.). The User shall have a duty to keep the confidential information secure, as well as to change/renew the permanent password on a regular basis, and in any event at least at the intervals set by the Bank. In Mobile Banking, the User shall have a duty to ensure that their mobile phone and text messages received from the Bank remain unavailable to any third parties, and to ensure preservation of the connection number designated by their mobile operator and to prevent it from being transferred or reassigned to any third party.
- 3.5. Should any confidential information become known, or may have become known, to a third party, the User must, without undue delay, notify the Bank thereof in writing or by phone, whereafter the Bank will block access to Remote Banking Services as soon as reasonably possible.
- 3.6. In case of the Bank receiving the User's application/notice as and when stipulated in Clause 3.5 hereof, access to Remote Banking Services will remain blocked until and unless the User, on the basis of the Customer's or User's application, is given a new permanent password and issued with a new code card containing User identification codes or with a security token and the User has instructed the Bank to unblock access to Remote Banking Services.
- 3.7. Access to Remote Banking Services will be blocked upon the User's error, for five consecutive times, in stating or entering the permanent password, code card identification code or security token access code.

## 4. Execution of User's Instructions

- 4.1. The Terms of Operations confirmed through Remote Banking Services shall be equal to documents executed on paper. The Bank shall have the right to use its sole discretion in determining the Operations, the execution of which shall require entry into a respective paper-based agreement.
- 4.2. The Bank shall have the right to deny execution of an Operation if:
- 4.2.1. the Customer or the User violates the Terms of Operations, or operating instructions of Internet Banking, Telephone Banking or Mobile Banking;
- 4.2.2. the User has failed to confirm the contents of an instruction in Telephone Banking;
- 4.2.3. reasonable suspicion arises to the Bank as to the identity of the User, or the Bank does not succeed in getting in touch with the Customer to confirm the contents of an instruction;
- 4.2.4. there are no sufficient funds in the Account for execution of the Operation and for payment of services rendered;

4.2.5. the Limit is exceeded or the conditions set out in the Price List or the Terms of Operations are not complied with;

4.2.6. The User's instruction is ambiguous or distorted due to malfunction of communications.

4.3. In the event when the Bank has accepted the User's instruction to execute an Operation, but there are no sufficient funds in the Account to execute the Operation and pay for services, such an instruction shall be stored in the Bank's system until the Account has a sufficient amount of funds. Such instructions will be cancelled in case the Account is not credited with a sufficient amount of funds within 10 days of the instruction.

4.4. The Customer and the User agree that any instruction for execution of Operations, which has been confirmed by User Number, by code card identification codes or by security token access codes and, where applicable, by the permanent password, shall be authentic and binding on the Customer, on the User and on the Bank, and shall be deemed equal to paper-based instructions given by the Customer or the User.

The Customer agrees to the Bank's right to agree with Cooperation Partners on electronic signing or certification of documents on behalf of Cooperation Partners. The Agreement applies to electronic documents, notices, information, confirmations and instructions for execution of Operations in connection with respective transactions between the Customer and the Cooperation Partner.

4.5. The Customer and the User agree that all notices and information presented on the Internet Banking site or given through Remote Banking Services, conditional on the User having been identified by means of identification issued under the Agreement, will be deemed to constitute information binding on the Customer and the User, and that such information will be deemed equal to information, statement or acknowledgement made by the Bank on a paper-based document. Account statements available on the Internet Banking site are prepared and stored by the Bank electronically pursuant to the effective Bank Account Statement Preparation Rules approved by the council of the Bank of Latvia, and electronic data, by which the respective Account statement stored in the Bank and available on the Internet Banking site can be clearly identified, are added to such statements. The Customer agrees and acknowledges that the Account statement available on the Internet Banking site will be deemed to be an authentic Account statement prepared by the Bank if the electronic data appended to such Account statement have been created using MD5 algorithm (cryptographic algorithm used in creating electronic signatures for calculating electronic data related to e-documents) according to which at least the following details of the respective Account statement are encrypted: Account number, Account statement currency code, date when prepared, start date of the period covered by Account statement, end date of the period covered by Account statement, sum of credit transactions turnover, sum of debit transactions turnover.

4.6. Upon receiving an instruction from a User, the Bank or a Cooperation Partner will have the right to contact the User and verify the instruction.

4.7. The Customer may additionally set a limit on a single Operation, upon exceeding of which every such individual Operation shall require Customer's additional confirmation. The additional confirmation will be ensured by the Bank or Cooperation Partner in one business day's time by contacting the Customer by phone on the contact number registered with the Bank. If the Customer denies confirmation, or the Bank or Cooperation Partner is unable to get in touch with the Customer, the Bank or the Cooperation Partner shall have the right not to execute the Operation.

4.8. The Customer agrees that the Bank is entitled to record information (incl. conversations) delivered through Telephone Banking, and to log actions carried out via Internet Banking or Mobile Banking, and, where necessary, to use such records for proving or substantiating execution of Operations carried out.

4.9. The User's instructions for making payments and transfers will be executed up to the set Limit, except payments and transfers to another account held by the Customer with the Bank. The Bank will be entitled to carry out other Operations regardless of the Limit, unless stipulated otherwise in the Terms of Operations applicable.

## 5. Liabilities and Responsibility

- 5.1. The Bank shall be under an obligation:
- 5.1.1. to identify the User in compliance with the Agreement;
- 5.1.2. to cause Remote Banking Services to be provided in compliance with the Agreement and the Terms of Operations.
- 5.2. The Customer shall be under an obligation:
- 5.2.1. to ensure that the User has read the Agreement and Terms of Operations;
- 5.2.2. to provide an amount of funds in Accounts sufficient for performing Operations and covering the Bank's charges for services;
- 5.2.3. to verify that executed transactions correspond to the Account statement or Account report and to read the messages from the Bank and Cooperation Partners to the Customer on the Internet Banking site at least once a calendar month.
- 5.3. The Customer shall be entitled to present claims regarding executed Bank Operations to the Bank within 60 days of execution thereof. Should the Customer not present their claim within the aforesaid time period, the Customer will be deemed to have approved the transactions executed and to have assumed full liability therefor.
- 5.4. The Customer shall be liable for:
- 5.4.1. validity, accuracy, completeness of, and changes in facts stated in the Agreement or required to be furnished under the Agreement;
- 5.4.2. accuracy and completeness of the User's instructions;
- 5.4.3. compliance with the Agreement and the Terms of Operations, and for the User being aware of and complying with same.
- 5.5. The Bank shall not be liable for any losses sustained by the Customer:
- 5.5.1. where the User has failed to comply with the Agreement and Terms of Operations;
- 5.5.2. as a result of unlawful actions by third parties until the time of blocking Remote Banking Services according to procedure set out in Clause 3.5 hereof;
- 5.5.3. due to a communications malfunction and as a result of other malfunctioning or hindrances, which stand beyond reasonable control of the Bank;
- 5.5.4. when the contents of a text message has become known by a third party;
- 5.5.5. when the User's connection number designated by their mobile operator has been transferred or reassigned to a third party.
- 5.5.6. if the Cooperation Partner fails to perform, or duly performs, their respective obligations arising from the Terms of Operations.
- 5.6. The Bank will have the right to erase Mobile Banking messages without forwarding them to the User if the User's phone number remains disconnected for more than 24 hours.

## 6. Charges for Remote Banking Services

The Bank will debit charges for using Remote Banking Services from the Account as per Price List and as per Terms of Operations without the Customer's prior approval.

## 7. Validity and Termination of the Agreement

- 7.1. The present Agreement shall come into full force and effect upon signing thereof and shall remain in force for an unlimited period of time, unless stipulated otherwise in the Agreement. The Customer shall have the right to terminate the Agreement at any time by giving a relevant notice thereof to the Bank, or to a Cooperation Partner in compliance with the transactions entered into between the Customer and the Cooperation Partner. The Bank shall discontinue execution of Operations and terminate the Agreement within a maximum of one business day following receipt of the Customer's application.
- 7.2. The Bank shall have the right to terminate the Agreement at any time subject to prior notice thereof to the Customer. The Bank shall have right to discontinue provision of Remote Banking Services to the Customer and terminate the Agreement forthwith without any prior warning in the event of violation of the present terms and conditions by the Customer or the User.
- 7.3. The Agreement shall be terminated automatically upon closing of the last Account.
- 7.4. The Bank shall have the right to discontinue provision of the Mobile Banking service without any prior warning to the Customer when:
- 7.4.1. the User's phone number registered for the service remains disconnected for more than 3 business days of the Bank;
- 7.4.2. contractual relations between the Bank and the corresponding mobile operator are ended;
- 7.4.3. the subscriber of the phone number changes.

## 8. Changes in Agreement and Price List

The Bank shall have the right to amend the present Terms, the operating instructions for Remote Banking Services, the Limits and the Price List at any time at its sole discretion. It shall be the Customer's right and obligation to follow any changes in the aforesaid documents. Information on the changes made shall be available on the Internet Banking site, at the Bank's premises during business hours of the Bank, on the website of the Bank <http://www.swedbank.lv> and as otherwise stipulated by the Bank.

## 9. Miscellaneous

- 9.1. All cases of disputes or uncertainties related to Remote Banking Services, execution of Operations and Terms of Operations shall be resolved by negotiation. Presentation of a written claim to the other Party shall be a condition precedent to dispute resolution.
- 9.2. Where a dispute is impossible to be resolved by negotiation, it shall be settled, at the claimant's discretion, either at a court of law of the Republic of Latvia in accordance with applicable laws and regulations of the Republic of Latvia or at the Court of Arbitration of the Association of Commercial Banks of Latvia (Perses iela 9/11, Riga) under the rules and regulations of the court of arbitration. The number of arbitrators shall be one.