

1. General Provisions

Bank - the joint stock company "Rietumu Banka", its unified registration number 40003074497.

Customer - a private individual or a corporate entity who has signed the JSC "Rietumu Banka" and Customer Agreement" with the Bank.

Order - an instruction given by the Customer to the Bank to execute or cancel a transaction.

Application - an application submitted by the Customer to the Bank to provide, limit or end a service.

Acceptance - the receipt and approval of the Customer's orders and documents in the Bank.

1.1. These Terms and Conditions govern mutual legal relations between the Bank and the Customer upon the delivery and receipt of financial services and the performance of banking operations, it constitutes an integral part of the signed JSC "Rietumu Banka" and Customer Agreement, unless other signed agreements stipulate another regulatory order of their legal relations.

1.2. These Terms and Conditions apply upon signature of the JSC "Rietumu Banka" and Customer Agreement. When signing this Agreement or any service (product) application the Customer acknowledges as having read, understood and accepted these Terms and Conditions and the Rates and Fees Schedule of Banking Services.

1.3. Relations of the receipt of a specific banking service (product) are established when the Bank accepts the Customer's application.

2. Customer Identification

Customer's Authorised Representative (Customer's Representative) - a person who is liable to act on behalf and the interest of the Customer according to relevant authorisation.

Rietumu ID Package - a package of identification and account management tools which includes:

- Rietumu ID - an ID number of the Customer's representative;
- DigiPass - a one-time digital password and electronic signature generation device;
- TCT - an individual Test Code Table;
- DC - a digital certificate.

OTP - a one-time password acquired by using DigiPass.

Test Key (*an authentication code*) - a code calculated in compliance with the algorithm using TCT.

Electronic Signature - a signature generated in compliance with the algorithm using DigiPass, DC or TCT.

Card Password - a password, which is indicated in the Customer's card application and used by the Bank for identification purposes of the Customer or the cardholder by phone.

Deal - an agreement between the Bank and the Customer to execute a specific operation or to provide a service.

2.1. When signing this Agreement the Bank identifies the Customer and his/her representatives according to requirements of the legislation of the Republic of Latvia and the internal regulatory framework of the Bank.

2.2. The Customer is obliged to provide regular, complete and true information about himself/herself, his/her business activity, sources of his/her funds, purposes of their use, the transactions he/she has made and beneficial owners during the validity of the agreement and at request of the Bank. The Customer is liable for the his/her

authenticity and truthfulness of the information provided to the Bank.

2.3. The Bank states the adequacy level of the provided and requested information according to requirements of the legislation of the Republic of Latvia and the internal regulatory framework of the Bank.

2.4. The Bank uses the information provided by the Customer to the extent and within limits, which are stipulated in the legislation of the Republic of Latvia.

2.5. After the Agreement has been signed the Bank provides each Customer's representative with a package of identification and account management tools; this package has a single number - an ID number of the representative's Rietumu ID.

2.6. The Customer's representative is entitled to use the received Rietumu ID, DigiPass, DC and TCT for all the Customers whose accounts he/she is authorised to manage or to receive additional Rietumu ID packages for each separate Customer whose accounts he/she is authorised to manage in the Bank.

2.7. When one Rietumu ID being valid for several Customers has been issued to the Customer's representative, he/she is automatically granted an access to all Customers and their accounts in the remote banking systems: Internet Bank (Internet Banking) and Home-Banking (PC Banking) within the framework of his/her authority.

2.8. When executing banking operations, providing financial services, reports or another information, the Bank identifies the Customer and his/her representative.

2.9. The following parameters are used to identify the Customer or his/her representative depending on the way he/she contacts the Bank:

- in person - the Customer's name and a personal identification document;
- using Internet Bank (Internet Banking) - Rietumu ID and OTP, DC;
- using Home-Banking (PC Banking) - Rietumu ID and OTP;
- by phone, fax, e-mail (only scanned documents) - the Customer's name, Rietumu ID and OTP or an electronic signature.

2.10. When card account holders contact the Bank by phone to receive information about his/her card, card account balance, card payments, to suspend or renew the card payment authorisation, to increase the card daily limit or available card account balance, they are entitled to use both the above mentioned identification tools or the card number and password. The cardholders who are not card account owners use the card number and password when they contact the Bank by phone.

2.11. OTP is valid within the limited time period. To check the correctness of OTP the Bank uses the date and time when the Bank has received the document.

2.12. The electronic signature has the same legal power as a real (manual) signature if generated as provided by the Bank using DigiPass, DC or TCT.

2.13. A Rietumu ID package may be fully or partly replaced upon the Customer's request.

3. Customer's Representatives

3.1. The Customer enters into legal relations with the Bank directly or through his/her authorised representatives.

3.2. The Customer's representatives enter into legal relations with the Bank acting for and on behalf of the Customer and create rights

and obligations for the Customer.

3.3. It is the extent and framework of the representation and authorisation of the Customer's representatives, which entitles the Customer's representatives to enter into relations with the Bank for and on behalf of the Customer.

3.4. Representation or authorisation rights of the Customer's representative shall be duly legalised according to requirements of the legislation of the Republic of Latvia and the internal regulatory framework of the Bank.

3.5. Representation or authorisation rights of the Customer's representatives shall be annulled from the date when the Bank accepts a relevant order submitted by the Customer.

4. Confidentiality

4.1. The Bank guarantees the confidentiality of the Customers' personal data and information on their accounts, deposits and transactions.

4.2. The Bank provides information on the Customers' accounts and the transactions they make solely and exclusively to the Customers or their representatives.

4.3. The Bank uses, processes and provides personal data to third persons in the extent and framework as stipulated by requirements of the legislation of the Republic of Latvia binding to credit institutions.

4.4. In line with requirements of the legislation of the Republic of Latvia and requests addressed to the Bank by its business partners the information on the Customer, his/her accounts, payment card data and the made transactions may be submitted to the competent state institutions of Latvia, the EU and other countries or business partners of the Bank for the execution of their functions.

4.5. The Customer confirms that he/she agrees that the Bank processes the information and personal data he/she has provided to the Bank.

5. Banking Operations and Financial Services

Relevant certification - a verification made by a competent public officer taking into account that:

- certification needs no additional conformation for countries the Republic of Latvia has signed a treaty on legal assistance and legal relations with;
- certification needs to be certified with an apostille for signatory countries of the Hague Convention of 5 October 1961 Abolishing the Requirement of Legalisation for Foreign Public Documents;
- certification shall be additionally legalised for countries that are not signatories of the Hague Convention and have no treaty on legal assistance and legal relations signed.

5.1. Banking operations are executed and financial services delivered only upon the receipt and according to the order given by the Customers with the exception when debiting the Customer's funds without his/her authorisation.

5.2. Debiting of the Customer's funds without his/her authorisation is performed:

- in cases stipulated by the legislation of the Republic of Latvia;
- to pay for services delivered by the Bank;
- to discharge the Customer's liabilities towards the Bank;
- to reimburse the expenses the Bank has incurred when providing services to the Customer;
- to correct an error made when crediting money wrongly or without reason.

5.3. The Bank calculates interest (on term deposits, account

balances, outstanding payments and unauthorised debit balance on the payment card accounts) presuming that there are 360 days in a year and the actual number of days in a month.

5.4. The term deposit interest is calculated from the date when a relevant sum is credited to a relevant account. The Bank calculates interest on the deposited money for each deposited day until the maturity of the deposit (exclusive of the end date of the deposit).

5.5. Deposit interest rate is calculated according to the rate, which is valid on the date of depositing resources (for term deposit replenishment the rate valid on the date of replenishment shall be applied).

5.6. The Bank withdraws taxes from interest payments according to the legislation of the Republic of Latvia without a separate mutual approval.

5.7. The Bank performs banking operations and transactions according to the Customer's instructions when funds on the account are sufficient to execute the given Customer's order and cover costs of services rendered by the Bank.

5.8. An order given for the execution of banking operations shall include a precisely formulated subject of the operation. Any correction, repetition or confirmation therein shall be noted as such.

5.9. The Bank is entitled to refuse the execution of the Customer's orders if:

- they fail to comply with requirement of the legislation of the Republic of Latvia;
- their content is unclear or conflicting;
- they fail to be understandable due to text distortion.

5.10. The Bank is entitled not to execute the specific Customer's order until the Customer has submitted the information concerning this order, which the Bank request to be submitted, and documents testifying this information.

5.11. The Customer may give his/her order for the execution of banking operations either directly or remotely using the remote banking systems or post.

5.12. The Customer's order depending on the way it is given to the Bank shall include:

5.12.1. If given directly:

- the signature and the seal sample if any;

5.12.2. If given using remote banking systems and communication channels:

- OTP - for the orders referring to accounts hold by one Customer, payment orders using a template, non-payment orders;
- an electronic signature - for payment orders;
- non-payment orders given by fax and e-mail (only scanned documents) shall additionally include the signature and the seal sample.

5.12.3. If given by post on paper medium:

- a relevantly certified signature or a signature certified with a test key and the seal sample if any.

5.13. When executing banking operation, the Bank visually compares the specimen signature and seal imprint with the signature and seal imprints on the order documents without regard to the colour of the seal imprint.

5.14. The Bank makes audio records of the Customer's orders given to the Bank by phone. The Customer may give his/her orders by phone only using the phone numbers indicated on the home page of the Bank: www.rietumu.lv, www.rietumu.ru and www.rietumu.com.

5.15. The Bank determines the type and the maximum amount of transactions to be concluded by phone.

5.16. The Bank is entitled to refuse the Customer the execution of a specific order or transaction without giving a reason in so far as it is

stipulated by relevant requirements of the legislation of the Republic of Latvia.

6. Payment for Banking Services

6.1. The service payment procedure and the amount of payment are stipulated in the Rates and Fees Schedule of Banking Services, unless stipulated otherwise in agreements concluded by and between the parties.

6.2. Debit and credit interest rates and exchange rates shall take effect upon their introduction by the Bank.

6.3. The payment for services is debited against the Customer's account, which was used for making a transaction. If funds available on this account are insufficient to cover the payment for services, they shall be debited against any other Customer's account with the Bank and in any currency by applying if necessary the exchange rate of the Bank valid on the date when executing this service payment.

6.4. The payment for card account services is debited against the Customer's card account. If funds on the card account are insufficient for the service payment, negative debit balance may develop on the account. The Customer is liable to discharge it as stipulated in these Terms and Conditions. If the Customer fails to discharge this liability the Bank is entitled to discharge the amount of this liability itself from the Customer's another account with the Bank and close the Customer's card and his/her card account.

6.5. Payments for banking services are collected from the Customer until his/her liabilities and any claims of the Bank against the Customer are discharged in full.

6.6. The Rates and Fees Schedule of Banking Services, its amendments and supplements are published on the home page of the Bank: www.rietumu.lv, www.rietumu.ru and www.rietumu.com.

7. Current Account

7.1. A multi-currency account is opened to the Customer; funds are credited and kept on the account in the respective incoming currency.

7.2. The Bank calculates interest for the funds kept on the current account as for a deposit if it is prescribed by the Rates and Fees Schedule of Banking Services. When closing the current interest earning account either on the initiative of the Bank or the Customer, the interest for funds on the current account shall not be paid for the month when the closing is performed.

7.3. A current account shall be closed within 7 days according to the Customer's instructions and the funds shall be transferred as specified therein.

7.4. The Bank has rights to close the Customer's account, which has been dormant for 12 consecutive months and fails to have any funds on it.

7.5. The Bank opens an account for a company, which is not yet registered in the commercial register, to transfer company fixed assets to this account. This account has functions of a saving account, and the Customer is not entitled to make any debit operation on it. If the company fails to be registered, the Bank returns the funds placed on the account to the person who has paid them in according to instructions this person provides.

8. Savings Account

8.1. Savings Account is multicurrency account. Account currencies, minimum savings account residual amounts for interest accrual and interest rates are determined in the Rates and Fees Schedule of Banking Services.

8.2. The Customer is entitled to replenish the account, convert currencies within the account and manage the funds on the

account at his/her own discretion.

8.3. The interest is accrued for the period during which the funds are held on the account given the residual amount exceeds the set minimum. The interest is calculated for previous month and added to the principal amount no later than on the 5th date of the current month.

8.4. Bank is entitled to change the interest rate unilaterally.

8.5. In order to transfer funds from the savings account to the current account, the Customer shall submit a standard application form to the Bank 7 days prior to the transfer (during this time the interest accrual for the given amount continues). In case the application is submitted less than 7 days prior the withdrawal, the Bank transfers the funds to the current account within 1 business day and withholds a fee from the Customer according to the Rates and Fees Schedule of Banking Services.

9. Remote Banking

Remote banking systems - Internet Bank (Internet Banking), Home-Banking (PC Banking) and M-Bank.

Internet Bank (Internet Banking) - a remote banking system, which ensures remote cooperation between the Customer and the Bank via Internet. **Limited-access mode** enables the Customer to control account balances and receive account statements, make payments between the Customer's accounts and submit payment orders using a template. **Full-access mode** enables the Customer to use a full range of services of the Bank.

Home-Banking (PC Banking) - a remote banking system, which ensures remote cooperation between the Customer and the Bank via computer software and maintenance of a full range of services of the Bank.

M-Bank - an information system, which provides communication between the Customer and the Bank; the Customer receives SMS on his/her mobile phone or messages and account statements on his/her e-mail.

9.1. The Customer's representative after his/her registration in the Bank is automatically (without any additional application) granted rights by using Rietumu ID package to manage funds on the Customer's accounts in the Bank by:

- phone;
- fax;
- e-mail (only scanned documents);
- using Internet Bank (Internet Banking) in limited-access mode.

9.2. The Bank entitles the Customer to manage funds on the accounts by remote banking systems Internet Bank (Internet Banking) in full-access mode and Home-Banking (PC Banking), and connects the Customer to the information system M-Bank on the basis of the Customer's application.

9.3. The Customer shall submit a new Remote Systems Application for his/her access to the systems mentioned in Clause 9.2 herein in case 6 months have passed since:

- the date of the acceptance of the Customer's application, however, no access has been ensured to the Customer for reasons beyond the control of the Bank;
- the Bank has suspended the Customer's access to the remote banking systems.

9.4. It is presumed that the Customer has received information the Bank sends to him/her via Remote Banking Systems.

9.5. The Bank is entitled to suspend the Customer's access to remote banking systems, if the Customer has failed to pay for the use of the Systems or the validity of the Customer representative's (authorised representative) power of attorney has expired or this power of attorney has been revoked (cancelled), or due to any other reason.

9.6. If the Customer's representative has lost his/her rights to manage funds on the Customer's accounts specified in the application, he/she retains rights to manage funds on the accounts of other Customer (Customers) of the Bank using the same Rietumu ID.

9.7. To access remote banking systems the Customer shall need to have:

- for Internet Bank (Internet Banking) in limited-access mode
 - Rietumu ID and DigiPass;
- for Internet Bank (Internet Banking) in full-access mode - Rietumu ID, DigiPass, DC;
- for Home-Banking (PC Banking) - Rietumu ID, DigiPass, TCT and appropriate software.

9.8. The following transaction limits are set when operating Internet Bank (Internet Banking) in limited-access mode:

- Single Transaction Limit the maximum amount for any single transaction on the Customer's account performed via Internet Bank (Internet Banking);
- Daily Account Limit - the maximum total daily amount of all transactions on one of the Customer's Accounts performed via Internet Bank (Internet Banking).

9.9. The following transaction limits are set when operating Internet Bank (Internet Banking) in full-access mode:

- Single Transaction Limit;
- Daily Account Limit;
- Total Daily Limit for all Customer Accounts the maximum grand total of all transactions on all Customer's accounts performed via Internet Bank (Internet Banking).

9.10. Limits are set in Euros (EUR). If the Customer has specified another currency, then setting such limit amounts they are converted in Euros applying the exchange rate of the Bank of Latvia on the date when these limits are set.

9.11. Single Transaction Limit and Total Daily Limit for all Customer Accounts are identical for all representatives of the same Customer. If separate Customer's representatives set different Single Transaction Limits or Total Daily Limit for all Customer Accounts, the Bank sets the limit amount specified in the latest instruction without giving additional notice to other Customer's representatives.

9.12. Daily Account Limit may differ for each Customer's representative.

9.13. The Customer's account limits are set according to the Remote Systems Application for connection to remote banking systems. Limits to other Customers' accounts including those, which the Customer's representative will have access to after connection to Internet Bank (Internet Banking), are set by default. Where required full-access mode limits may be changed according to a written application by the Customer's representative. Limited-access mode limits may not be changed.

9.14. DC is valid for 60 months from the moment the certificate has been generated. The digital certificate shall be renewed before its expiration otherwise the Customer's access to the system will be restricted.

9.15. The Customer shall choose whether the connection with the Bank when using Home-Banking (PC Banking) is maintained via internet network service or public telecommunication network.

9.16. M-Bank services are ensured to the customers of mobile network operators, whose mobile phones and operators provide short message service via internet.

9.17. The Bank shall be entitled to terminate M-Bank services without any prior notice if:

- cooperation between the Bank and the relevant mobile network operator has ended;
- the Customer's mobile phone number or mobile phone e-mail has been changed;
- the Customer's e-mail address has been changed.

10. Non-cash Settlements

Transfer - a number of payments made by one or several credit institutions on the basis of the remitter's order to transfer money to the beneficiary.

Value date - the actual day of the execution of the monetary transaction.

10.1. The payment order shall contain complete information on the remitter and the beneficiary, explicit and detailed information on the purpose of the payment, and other details as required by foreign banks. Complete information on the remitter and the beneficiary includes:

- full company name/name, surname;
- registration number/identity number (mandatory for residents of the Republic of Latvia);
- address (mandatory for non-residents of the Republic of Latvia);
- account number.

10.2. The Bank credits the Customer's account on the basis of his/her account number. In case the details of the beneficiary mentioned in Clause 10.1 herein are insufficient or their part fails to coincide with the existing data, the Bank is entitled prior to the transfer of funds to make a special investigation concerning the incoming payment. If within 3 weeks these details are not clarified, the Bank returns the funds to the paying bank. The Bank charges the Customer for the made investigation according to the Rates and Fees Schedule of Baking Services.

10.3. Funds are credited to the Customer's account on the day when a respective notice has been received from the Bank of Latvia, a correspondent bank or another payment organisation via the payment system.

10.4. The payment order is considered to be received when the Bank receives it.

10.5. The payment order is executed on the day when it has been received, unless the order specifies another value date.

10.6. Payment and execution provisions of the payment order on the day when it has been received are determined in the Rates and Fees Schedule of Baking Services.

10.7. The Bank executes a payment order which is received on the non-working day of the Bank or received outside regular hours on the next working day.

10.8. Payment orders received after the Customer's visit to the Bank are valid for 10 days from the date indicated in the document. Payment orders received by the Bank via remote banking systems Internet Bank (Internet Banking) or Home-Banking (PC Banking), and by fax, phone or by e-mail (only scanned documents) are valid for 7 days from the day the Bank has received these documents.

10.9. When executing a payment order, which includes currency exchange, the Bank applies its local exchange rate valid at the moment of the transaction, unless the Bank and the Customer have not agreed otherwise.

10.10. If the Customer has submitted several payment orders and their sum total exceeds the funds available on his/her account and he/she has failed to indicate their precedence, the Bank executes these orders at its sole discretion.

10.11. If the funds on the Customer's account are insufficient to execute a payment order or cover the bank fee, this order shall be executed when such funds are credited to the Customer's account and within the set validity term of the payment order. The Bank shall not be liable for any damages the Customer may suffer due to the non-execution of the mentioned payment order.

10.12. The Bank is entitled to change the correspondent bank

indicated in the Customer's order to another correspondent bank in the Customer's interests.

10.13. The Bank executes the Customer's payment orders in the name or on behalf of third persons on condition that the Customer has presented sufficient relevant information for the execution of such orders.

10.14. The Bank informs the Customer about the maximum execution time of the payment order and services fees upon the Customer's request.

10.15. The Customer is entitled to request the Bank to change payment details or cancel a payment order by submitting a respective application to the Bank. In the case of payment cancellation, the Bank returns the funds to the Customer provided that these funds have been returned to the Bank.

10.16. The Bank ensures the execution of a standing order. Considering the payment terms, periodicity and amounts stated by the Customer, the Bank automatically withdraws funds from the Customer's current account on condition that the funds (in payment currency) on the Customer's current account are sufficient to execute the payment order. The validity term of such an order may not exceed 1 year.

10.17. The Customer is entitled to submit a payment template for payment execution by phone. The Bank executes the payment on the basis of the Customer's order given by phone within the set limits and in line with requirements of Clause 2.9 and 5.12 herein.

10.18. The Bank informs the Customer about the refusal to execute his/her payment order and reasons of non-execution unless it is prohibited by the legislation of the Republic of Latvia.

11. Cash Transactions

11.1. The Bank performs cash transactions in currencies stated in the Rates and Fees Schedule of Banking Services.

11.2. When depositing cash on the Customer's account, the Bank examines whether the submitted banknotes and coins fit to the cash in circulation. If these banknotes or coins are recognized as counterfeited according to requirements of the Bank of Latvia or other foreign central banks, the Bank shall not return this money to the Customer.

11.3. An individual may deposit cash on the Customer's account solely in his/her own name.

11.4. The cheque, which is submitted for payment in the Bank, shall:

- contain all necessary details according to requirement of the Bank;
- be not mutilated and have no alterations;
- be complete and regular, all written in one colour ink;
- have a text, which lasts for an unlimited period.

11.5. Any cheque of JSC "Rietumu Banka" is valid for 8 days from the date when it has been drawn.

11.6. The Bank pays money according to a cheque only to the payee indicated on the cheque.

11.7. The payee shall check the amount and authenticity of the money received in the presence of the bank employee who made cash transactions thereof. The payee may use technical equipments of the Bank for this check if necessary. Should the payee refuse to perform this check, the Bank shall not accept any further claims.

12. Currency Exchange Transactions

Foreign exchange transaction/deal - a currency purchase or sale deal where one currency is purchased/sold against other currency at a specified exchange rate.

Order - a Customer order either to buy or sell currency at the exchange rate specified by the Customer.

Voice password - a password specified by the Customer in his/her application for the assignment of a voice password and used by the Bank to identify the Customer's representative and authorise the fixed exchange rate for foreign exchange transactions concluded by phone.

12.1. The Bank executes cash and non-cash foreign exchange transactions according to the exchange rate of the Bank valid at the moment of the receipt of the Customer's order or converts sums at the exchange rate agreed with the Customer.

12.2. The Bank executes transactions at the exchange rate agreed with the Customer during its business hours, as for the rest of the time (outside a trade session) exchange transactions are executed according to the official exchange rate of the Bank.

12.3. When concluding a foreign exchange deal the following essential conditions of the deal are agreed:

- the name of the purchase and sale currency and its amount;
- the exchange rate;
- the value date for settlements in the corresponding currency;
- the Customer's current account for the execution of transactions.

12.4. When concluding foreign exchange deal by phone a deviation from requirements of Clause 2.9 herein shall be permitted and the Customer or his/her representative may be identified and the fixed exchange rate authorised by using the following details: the Customer's name, account number and voice password.

12.5. A transaction is considered to be concluded and binding from the moment when the Bank receives the Customer's order in case the deal is concluded as per the current exchange rate set by the Bank, or from the moment when the essential conditions set in Clause 12.3 herein are agreed between the Bank and the Customer.

12.6. The Bank does not demand the submission of the exchange order in case the deal is concluded by phone and the provisions of Clause 2.9 and 5.12 herein have been observed. In all other cases the Customer shall submit a written exchange order to the Bank within the day when the deal has been concluded, which complies with provisions specified in Clause 5.12 herein and includes all essential conditions of the deal agreed with the Bank. A failure to submit the exchange order does release the Customer from his/her obligations related to this deal.

12.7. In case the Customer fails to submit an exchange order to the Bank or the exchange order does not comply with the agreed essential conditions of the deal, or the Customer does not have sufficient cash to execute the submitted order, the Bank is entitled to write off/transfer the difference in exchange rate from the Customer's any account, which is determined as a difference between the value of the Customer's liabilities calculated at the exchange rate of the deal and the exchange rate of that currency pair on the day when the money transfer is made in the Bank. The transaction is considered closed thereto.

12.8. The Customer is entitled to submit a written automatic (standing) foreign exchange order to the Bank. Until its cancellation all the amounts in the currency indicated by the Customer are automatically converted into the claimed currency at the exchange rate of the currency pair of the Bank on the day this transaction is executed.

12.9. The Customer is entitled to submit a currency purchase or sale order to the Bank according to the exchange rate specified by the Customer (an Order). To ensure execution of the Customer's liabilities the Bank blocks the amount needed for the deal and the

bank fee on the Customer's current account. When the exchange rate reaches the one specified in the Order the transactions is executed automatically. The Customer is entitled to cancel an unexecuted Order by submitting a corresponding application to the Bank.

12.10. The Customer confirms that he/she understands, assumes and assesses all risks related to foreign exchange transactions and that he/she is fully aware of and agrees that foreign exchange transactions are connected with the use of electronic data transmission means, telecommunications and software, and that due to a failure or malfunction of the mentioned means of communication the execution of a deal and/or Orders placed by the Customer may become impossible and that the Bank cannot be held responsible for such non-execution.

13. Deposits

Deposit - the money, which the Customer deposits in the Bank for a definite period of time with a right to receive the deposited money and the interest thereon according to the Rates and Fees Schedule of Banking Services.

Deposit account - an account opened for transfer and replenishment of a term deposit and safekeeping of funds after the maturity of the term deposit until their demand.

13.1. The Customer chooses any type of term deposits offered by the Bank when submitting his/her term deposit application.

13.2. Upon the receipt of the Customer's term deposit application the Bank is authorised to transfer the specified amount from the account indicated by the Customer and deposit it without additional orders.

13.3. The Customer may terminate the deposit prior to its expiry by submitting a relevant application to the Bank in the procedure and within the term specified by the Bank and giving an order to transfer the funds. Funds are transferred to the account specified by the Customer within the term set by the Bank.

13.4. If the deposit is terminated before its maturity, the Bank shall not pay back taxes to the Customer withheld according to Clause 5.6 herein.

13.5. In case of early deposit withdrawal a Customer shall inform the Bank in writing 7 days in advance.

13.6. In case of early deposit withdrawal the Bank repays 1/2 of the deposit interest accrued during the deposit validity term to the Customer and the Bank also withholds a fee according to the Rates and Fees Schedule of Banking Services.

13.7. In case of early withdrawal of a deposit with growing interest rate after the complete first year or after each following year of this deposit the Bank does not withhold an early withdrawal fee and pays the accrued interest to the Customer in full. If the deposit with growing interest rate is terminated otherwise, the Bank does not pay the accrued interest for the last year of the deposit and withholds a fee according to the Rates and Fees Schedule of Banking Services.

13.8. If the deposit interest was overpaid at the moment of deposit withdrawal, the Bank withholds the amount of the overpaid interest from the deposit principal.

13.9. At the maturity of the term deposit funds are transferred to the account specified by the Customer or the deposit service account where they are kept until the receipt of the Customer's order. The interest of the deposit may also be transferred to the Customer's card account.

14. Children's Savings

Child - an individual who has not reached the age of 18 except for

the persons who (according to the legislation) has been recognised to be of his/her legal age or who has entered into marriage until the age of 18.

Orphans Court - an institution for guardianship and curatorship of minors established according to the legislation of the Republic of Latvia, in case of a non-resident a relevant institution of the non-resident's country.

14.1. The Bank opens savings on the name of a child (a Customer) until the child has not reached the age of 18 according to the application submitted by the child's parent (one or both) or guardian.

14.2. Child's savings are multicurrency savings and may be replenished. The savings currencies, minimum residual amounts for interest accrual, minimum replenishment amount and interest rate are determined at the moment of the savings opening and are valid until the savings maturity.

14.3. A permit of the Orphans Court is needed to convert currencies and withdraw funds from the savings fully or partly. In case of a partly withdrawal it is assumed that the funds with the lowest interests rate are paid first and foremost.

14.4. When the child (the Customer) reaches the age of 18 the interest is no longer accrued. The Customer is entitled to manage the funds at his/her own discretion.

14.5. The child's savings and the JSC "Rietumu Banka" and Customer Agreement signed in the name of the child may be terminated prior to the maturity in the following cases:

- the Orphans Court has made a respective decision the Bank pays off the savings according to the decision of the Orphans Court within 7 days after both the decision and the Customer's application have been received;
- according to Clause 13.10 herein.

15. Payment Cards

Card - an international payment card issued by the Bank. The Bank hands over the card to the cardholder according to the application for the issue of a payment card. The card is linked to the Customer's account, including **Credit Cards**: Master Card or Visa and **Debit Cards**: Maestro and Visa Electron. The cardholder can use the card to withdraw cash and pay for goods and services at points of sale accepting cards of the above system. Visa Virtual can be used to pay for goods and services in internet stores, and for phone/mail orders in places where Visa systems cards are accepted.

Card application - an application for the issue of a payment card.

Cardholder - a person indicated in the card application whose name, surname and signature sample have been placed on the card and to whom the card has been handed over for use.

Transaction - a payment with a card for goods and services, cash withdrawals using the card at ATMs and banks, money transfers from the card account as per the account holder's order, and commission and interest payments to the Bank.

Card account - an account, which has been opened in the Bank for the Customer for the purpose of making transactions and to which a card (cards) is (are) linked.

PIN code - Personal Identification Number known only to the cardholder and used to electronically identify them.

Transaction authorisation - an electronic check of the card data, the available balance, the transaction limit and the cardholder's verification data as a result of which a transaction with the card is authorised or declined.

Transaction limit - the maximum number (as defined by the Bank) of card transactions authorised by the Bank and/or the total amount of transactions within a definite period of time (day, week or month). The parties may agree to set another card transaction

limit in the card application if it does not exceed the maximum transaction limit applied by Bank.

CVV2 code - a security code applied to internet purchases with Visa Virtual, Light, Classic, Business, Gold, Platinum card.

CVC2 code - a security code applied to internet purchases with MasterCard Light, Classic, Business, Gold, Platinum card.

Debit balance - a card account balance, which equals to the amount of the Customer's financial liabilities towards the Bank at the end of a particular day or an account statement period. The debit balance is changed after each transaction. In the account statement, the debit balance is indicated with a "-" sign.

Available balance - the amount of money in the card account, which can be used for a transaction equal to the sum of a credit limit/overdraft and the Customer's funds in the card account by subtracting the made payments but not yet written off from the card account.

Balance - the amount of money in the card account without a credit limit or an overdraft and any amounts reserved for payments already paid with the card but not yet written off from the card account.

Settlement cycle - one calendar month.

Overlimit debit balance - an account debit balance that exceeds the credit limit/the overdraft in the card account, to which the credit limit/the overdraft has been applied, or an account debit balance in the card account, to which the credit limit/the overdraft has not been applied at the end of a particular day.

15.1. The use of payment cards is subject to these Terms and Conditions, and regulations of international payment card organisations MasterCard Worldwide and Visa Europe (according to the card type).

15.2. The Bank reviews a card application and takes decision on the issue of the card within 10 days. The Customer specifies the manner of the receipt of the card (cards) and a PIN code in person or by courier mail. Regardless of the card receipt manner the Customer receives a deactivated card. To activate the card the Customer or the cardholder shall call the Bank by using the Customer's identification tools or his/her card password.

15.3. The card validity period lasts for 2 years, except for Visa Virtual, which expires after 1 year. A card is valid until the last day of the month and the year written on the card. The card validity period does not equal to the card application validity term. The Bank makes a new card 5 business days before the card expiry date. A new card shall not be made, if the available balance of the card account is less than the annual card fee.

15.4. No card and PIN code duplicates are issued. On all occasions new cards with new PIN code are issued.

15.5. A card is the property of the Bank. A cardholder has sole authority to make transactions with his/her card. It is forbidden to hand a card over to third persons.

15.6. It is considered that transactions made with all the cards linked to the Customer's card account are made at the account holder's will (on his/her agreement). A cardholder of an additional or a corporate card is entitled to use funds on the account only by using the card.

15.7. The card may not be used for any illegal action, including the purchase of goods or services, which are prohibited to be purchased by to the legislation of the Republic of Latvia if failing to have a special permit.

15.8. The cardholder shall sign transaction documents or enter the PIN code when any transactions are made. A service provider is entitled to request the cardholder to present his/her identification document. The cardholder has the obligation to refrain from signing any transaction documents or from confirming a

transaction with the PIN code, if the transaction amount is not indicated or if it is indicated incorrectly. As to internet purchases The cardholder might be requested to enter CVV2 code (for Visa system payment cards) or CVC2 code (for MasterCard system payment cards).

15.9. The card account is opened in one particular currency. If a deposit to the card account is made in a currency, which differs from the card account currency, the Bank is entitled to convert the received amount applying its local exchange rate valid on the date of the transaction.

15.10. Upon the authorisation of a transaction the Bank reserves funds on the card account for this transaction simultaneously reducing the available account balance. After the receipt of the confirmation of this transaction the transaction amount is deducted from the account. If within 30 days after the transaction the Bank does not receive the transaction confirmation the reserved funds become available to the Customer. The Bank has the right to deduct funds from the Customer's account to process any transactions during an unlimited period of time after the settlement date.

15.11. A possibility exists that, when making transactions with a card, transactions not authorised by the Bank may appear. Such transactions are deducted from the card account reducing the available account balance only after the receipt of the confirmation of this transaction.

15.12. If the account currency differs from the transaction currency the Bank initiates currency exchange and on the date of transaction deduction deducts the amount of the transaction in the account currency at the local exchange rate applicable to card transactions. In case of exchange rate fluctuations a difference might occur between the reserved transaction amount and the deducted transaction amount for all types of cards, as well as an overlimit debit balance might develop.

15.13. The Customer shall monitor his/her transactions in the card account to prevent the overlimit debit balance and shall repay any such balance by the end of settlement cycle, i.e. by the end of the next month. The Customer pays the Bank interest for the existing overlimit debit balance according to the Rates and Fees Schedule of Baking Services. Overlimit interest is calculated at the end of every day and deducted on the last day of every month.

15.14. The Bank shall be entitled to set the amount of the card collateral and transaction limits in definite periods of time and decide upon the card design.

15.15. The Bank shall be entitled to block the card operation without any prior notice, particularly close the card if the Customer has not met his/her obligations to the Bank or any of the transactions made by the Customer does not comply with the Customer Policy of the Bank, or there is suspicion on the card fraudulent use, as well as to Detain the card in an ATM if the PIN code of the card has been entered incorrectly 3 consecutive times.

15.16. After the receipt of a notification about the loss or theft of a card the Bank declines the authorisation of transactions made with the card and takes all actions needed to prevent any further transactions with this card.

15.17. The Customer has rights to request the Bank to cancel a transaction or refund any debited amount, if the card has been used illegally and the transaction has not been approved by the PIN code, CVV2 or CVC2 code, or the cardholder's signature, or any other tool of identification. This right shall be exercised if requirements of Clause 23.8 herein are met and the cardholder has not acted negligently or illegally.

15.18. The card can be closed on the initiative of the Bank or upon the receipt of the Customer's application after the Bank has deducted all service fees according to the Rates and Fees Schedule

of Baking Services. The card account is closed within 30 days after the card closure, if the account balance is equal to zero. If there is a debit balance on the account at the moment of closure the Customer shall repay the debit balance within 10 days. If there is a positive balance on the account the Customer shall submit a payment order for the transfer of the positive balance to another account of the Customer or for its payment at the cash department in the Bank.

15.19. The card collateral shall be considered void when the card account is closed and the Customer has fulfilled all his/her obligations towards the Bank.

Automatic Replenishment

15.20. The Bank ensures constant automatic card account replenishment from the current account. The Bank automatically replenishes the card account according to the payment term, periodicity and amount specified by the Customer in the card account constant replenishment payment order.

15.21. The first new or modified card account constant replenishment payment order is executed within 1 business day after the acceptance or modification of the Customer's order. If such an order is received when the monthly automatic replenishment has already been made, then in the case of the enlargement of the replenishment amount the account is replenished for the difference between the earlier submitted amount and the amount specified in the new order; while in the case of the reduction of the replenishment amount the difference between the earlier submitted amount and the amount specified in the new order is not refunded to the current account from the replenished card account.

15.22. When calculating the payment amount, the type of card account constant replenishment specified in the Customer's order is considered:

- up to the minimum balance (the repayment of the used credit limit or overdraft in full);
- fixed amount (not including the account replenishment with cash, non-cash transfers to the account, returned card transactions and taxes in the calculation of the amount);
- up to the fixed amount (taking into account the balance or the available balance; taking or not taking into account the credit limit and the amounts reserved for transactions).

15.23. The payment is made in the card account currency within the amount available on the current account in the card account currency. The Bank does not convert other currencies on the current account.

15.24. If on the day of the payment funds available on the Customer's current account are insufficient to make the payment and cover fees, the Bank has the right not to make this payment.

15.25. Further payments shall be made in terms stipulated below. When the card account replenishment is required:

- once a month the payment shall be made on the first or the last business day every month according to the information provided by the Customer in the card account constant replenishment payment order;
- once a week the payment shall be made every Friday. If Friday is a holiday, the payment shall be made the next business day;
- once a day the payment shall be made every business day.

15.26. The Customer shall inform the Bank in writing about all changes of the information provided in the card account constant replenishment payment order no later than 5 days before the next payment by submitting a new card account constant replenishment payment order to the Bank.

15.27. The Bank terminates the execution of the Customer's card

account constant replenishment payment order, if:

- the Customer has submitted an order to cancel his/her card account constant replenishment payment order to the Bank;
- the card account or the current account is closed;
- any other reason exists, which the Bank considers important for the cancellation of the card account constant replenishment payment order.

15.28. The Bank terminates the execution of the Customer's card account constant replenishment payment order within 1 business day after the Bank has accepted the Customer's card account constant replenishment payment cancellation order and within 3 business days after the Bank has accepted the card account closure application.

Security Deposit

15.29. To receive a credit card or a credit limit the Customer shall provide a security deposit, if thus required by the Bank; the Bank shall specify the amount, terms and other conditions thereof.

15.30. The term of the deposit shall exceed the expiry date of the credit card or the credit limit for 1 month. If the card account holder renews his/her card or prolongs the term of the credit limit after his/her card or credit limit has expired, the term of the security deposit application is prolonged automatically.

15.31. If the Bank decides to change the collateral of a credit card or a credit limit by cancelling the deposit, the term of the security deposit application expires 1 month after such a decision is taken.

15.32. The Bank calculates interest on the funds placed in the security deposit according to the Rates and Fees Schedule of Baking Services and pays this interest to the Customer in the manner specified in the security deposit application.

15.33. In case the security deposit application is terminated on the Customer's initiative, the Bank shall be entitled to close the cards, and annul or change the credit limit.

15.34. The Customer has no rights to receive the deposit prior to the discharge of all his/her liabilities towards the Bank that have arisen as a result of the use of the credit cards and the credit limit.

15.35. After the expiry of the security deposit application, the Bank transfers the amount of the deposit and the unpaid interest to the account indicated in the security deposit application. Prior to this transaction, the Bank deducts the amount applicable to meet the Customer's liabilities towards the Bank. If currencies of the deposit and the liabilities differ, the Bank converts the transferable amount at its local exchange rate valid on the date of the transaction.

16. Business Cheques

Business cheque - an unconditional written order to the bank that has issued the cheque to transfer the amount indicated on the cheque to the indicated payee on his/her demand.

Validity term - unless specified otherwise on the cheque, a cheque is valid within 180 (one hundred and eighty) days from the date when it has been drawn.

Paying bank - the bank, which has issued a cheque and is indicated on the cheque; to which the cheque will be referred to and which will debit the drawer's account.

Endorsement - the actual writing on the back of the cheque, which testifies a transfer of the cheque to another person transferring rights to this person to receive the money indicated on the cheque.

16.1. The Bank sells and accepts for collection business cheques, which terms of use are regulated by *ICC Uniform Rules for Collections* and regulations of international cheque issuing organisations.

16.2. The Bank accepts business cheques for payment if:

- if there are no other endorsements on the cheque but the endorsement, which testifies the submission of the cheque to the Bank, or other writings;
- the sum indicated on the cheque in figures and words agree.

16.3. The Bank accepts business cheques for collection from the Customer to whom the cheque has been drawn or the authorised person to whom the payee indicated on the cheque has issued a relevantly certified power of attorney.

16.4. When submitting a business cheque for payment, the Customer fills in a cheque collection order and signs the back of the cheque in the presence of the bank employee.

16.5. The Customer bears responsibility for the correct endorsement (signature) of the cheque. When making an endorsement, the Customer confirms that he/she is entitled to receive the money in exchange for the cheque, there are no alterations made on the cheque and there is no reason known to him/her that would make the cheque void or unsuitable for payment, and authorises the Bank to collect the cheque.

16.6. The Bank is entitled to refuse to accept a cheque for payment if:

- the cheque fails to comply with requirements of the organisation which has issued the cheque;
- there is suspicion that the cheque is forged;
- there are alterations or other endorsements or writings on the cheque;
- the cheque has already been returned unpaid;
- the validity term of the cheque has expired;
- no complete details are specified for the cheque collection;
- the Bank embodies such authority according to anti-money laundering regulations.

16.7. After the Bank has accepted a cheque for payment, it sends the cheque to the paying bank or another institution, which provides the cheque payment services.

16.8. The cheque is paid within 4-6 weeks from the date it has been submitted to the Bank. The payment term may be longer due to the processing of the cheque in the paying bank.

16.9. The Bank credits the money specified on the cheque to the Customer's account with the Bank only after the Bank has performed all the required operations within the framework of cheque collection and the respective amount has been transferred to the correspondent account of the Bank, and after if necessary the Bank has received an additional confirmation that the paid amount will not be revoked.

16.10. The Customer covers all the charges connected with the refusal or investigation of the cheque according to the actual expenses of the Bank.

16.11. If the Customer stops the payment of a cheque, the Bank does not pay this cheque and returns it to the Customer if possible.

16.12. If the paying bank or another institution, which provides the cheque payment services, demands the repayment of the cheque, the Bank writes off the required amount from the Customer's account without the Customer's approval according to Clause 5.2 herein. If the funds available on the Customer's account are insufficient, the Customer shall return the money received for the cheque.

17. Financial Collateral

17.1. This Article of the Terms and Conditions takes effect at the moment the Customer becomes liable to the Bank.

17.2. In order to ensure the fulfilment of his/her liabilities to the Bank, the Customer shall pledge all his/her funds or financial instruments on the Customer's accounts with the Bank, their future profits, and all income from the sale of these assets.

17.3. The financial collateral shall guarantee the Customer's liabilities to the Bank; such liabilities are determined at the moment of their actual effectuation and include interest, penalties, the collateral selling expenses and other losses, including implicit losses inflicted on the Bank when the Customer violates his/her liabilities.

17.4. If the Customer fails to meet his/her liabilities to the Bank, the Bank shall be entitled to perform unilateral deduction in its favour without the Customer's approval and notification from any account, which the Customer holds with the Bank, equalling to the amount of the Customer's pending liabilities or to sell the Customer's financial instruments at the current market price channelling the received assets towards the discharge of the Customer's liabilities.

17.5. In order to protect its right of claim against the Customer, the Bank is entitled to exercise its detention rights, and to disregard the Customer's orders, which concern assets of the financial collateral. The Customer agrees that the Bank may detain his/her funds on the Customer's accounts with the Bank in the amount required to cover the Customer's liabilities to the Bank.

17.6. Should the Customer have any defaulted liability against the Bank, he/she shall have no rights to perform any operation with his/her financial collateral.

17.7. The Customer informs third parties about his/her financial collateral with the Bank by himself/herself.

18. Information and Reports to the Customer

18.1. At the Customer's request the Bank shall provide information and reports on the Customer's transactions, the amount and turnover of funds on the Customer's accounts and their records.

18.2. Reports and other information, which does not include any personal and confidential data, shall be published on the home page of the Bank: www.rietumu.lv, www.rietumu.ru and www.rietumu.com.

18.3. The Bank provides confidential information to Customers who are connected to remote banking systems via these systems.

18.4. The Customers who cooperate with the Bank via fax shall receive confidential information when they contact the Bank in person or by phone, meeting the Customer's identification requirements.

18.5. The Bank provides round-the-clock customer information centre services by the phone number, which is published on the home page of the Bank: www.rietumu.lv, www.rietumu.ru and www.rietumu.com.

18.6. It is presumed that during the cooperation between the Customer and the Bank the Customer has acquainted himself/herself with the effective wording of the "JSC "Rietumu Banka" and Customer Agreement" and the Rates and Fees Schedule of Banking Services.

18.7. According to the Customer's order the Bank is entitled to send banking information via open (unencrypted) communication facilities.

19. Approval and Validity of these Terms and Conditions, their Amendments and Supplements

19.1. Terms and Conditions of JSC "Rietumu Banka" and Customer Agreement, their amendments and supplements shall be approved by the Executive Board of the Bank.

19.2. Terms and Conditions of JSC "Rietumu Banka" and Customer Agreement, their amendments and supplements shall take effect 2 months after they have been published on the home page of the Bank: www.rietumu.lv, www.rietumu.ru and www.rietumu.com.

19.3. The Agreement and the Terms and Conditions of JSC "Rietumu Banka" and Customer Agreement are available on the

home page of the Bank: www.rietumu.lv, www.rietumu.ru and www.rietumu.com. The Bank shall hand the Terms and Conditions of JSC "Rietumu Banka" and Customer Agreement, their amendments or supplements to the Customer at his/her request.

19.4. When taking effect, these Terms and Conditions shall also apply to legal relations with the Customers who have already signed agreements with the Bank.

19.5. The Customer is entitled to terminate the Agreement with Bank until the date when the relevant amendments or supplements to the Terms and Conditions of JSC "Rietumu Banka" and Customer Agreement take effect by notifying the Bank thereon.

20. Transfer of the Customer's Rights and Liabilities

20.1. In the event of the death of the Customer a private individual, his/her rights and liabilities are assigned to his/her heir on the basis and when a legitimate inheritance document has been submitted to the Bank.

20.2. In the event of the liquidation or reorganisation of the Customer a corporate entity, his/her rights and liabilities are assigned to his/her legal successor on the basis of relevant documents submitted to the Bank.

20.3. In case such a successor fails to exist, the Bank shall administer the Customer's funds as stipulated by the legislation of the Republic of Latvia.

21. Resolution of Complaints and Disputes

21.1. The Customer is entitled to file his/her complaint regarding the execution of the Customer's order within 8 weeks from the day when the Customer's account has been debited, while for payment card transactions from the day when this transaction has been recorded in the account. The failure to lodge the complaint within the stated period serves as a proof of the approval of the made transactions.

21.2. Disputes between the parties shall be settled by means of negotiations.

21.3. The Bank gives a written reply on the Customer's written applications and complaints about financial servicing within 30 days from the day this application or complaint has been received; if the Customer is regarded as a consumer according to the legislation of the Republic of Latvia - within 10 days. In case it is impossible to meet this term due to objective reasons the Bank is entitled to prolong it notifying the Customer about the extension in writing. When reviewing complaints about payments, which have been made by cards, the terms defined in regulations of international payment cards organizations Visa Europe or MasterCard Worldwide shall be regarded, and they may vary up to 180 days. The disputed payment card sums shall be refunded to the Customer's account only after a respective decision made by Visa Europe or MasterCard Worldwide has been received.

21.4. Disputes shall be settled at the choice of the complainant party either in a court of general jurisdiction according to the legislation of the Republic of Latvia or the arbitration court of the Association of Latvian Commercial Banks in Riga consisting of one arbitrator in the Latvian language in line with the Charter, the General Terms and the Regulations on Costs of the Arbitration Court of the Association of Latvian Commercial Banks.

21.5. The Customer, in order to defend his/her interest, is entitled to apply to relevant public institutions or nongovernmental organisation as stipulated by the legislation of the Republic of Latvia.

22. Suspension of Financial Operations and Termination of Legal Relations

22.1. The Bank shall suspend financial operation, which has been ordered by the Customer, upon the receipt of a relevant order thereof.

22.2. The Bank shall suspend financial operations if the Customer's activities or the ground of these activities fail to comply with requirements of the legislation of the Republic of Latvia or the "JSC "Rietumu Banka" and Customer Agreement". Financial operations with the Customer shall be renewed after the Customer has eliminated the respective inadequacies.

22.3. The Customer is entitled to terminate the JSC "Rietumu Banka" and Customer Agreement or to refuse from any available service by submitting a relevant application to the Bank.

22.4. The Bank is entitled to terminate legal relations with the Customer (to terminate the JSC "Rietumu Banka" and Customer Agreement) by giving the Customer 2 month's prior written notice.

22.5. The Bank is entitled to terminate legal relations with the Customer (to terminate the JSC "Rietumu Banka" and Customer Agreement) immediately without giving a reason thereof, if the Customer's activities fail to comply with requirements of the legislation of the Republic of Latvia, the internal regulatory framework of the Bank, the JSC "Rietumu Banka" and Customer Agreement or these Terms and Conditions, or are liable to legal punishment, are dishonest or unethical towards the Bank, or if the Bank had good ground to believe that further cooperation with the Customer compromises its reputation.

22.6. Should the JSC "Rietumu Banka" and Customer Agreement be terminated on the initiative of the Bank, the Customer's funds shall be kept in a special, interest non-earning account of the Bank; the Bank shall transfer these funds to the Customer according to the Customer's application.

22.7. Should the JSC "Rietumu Banka" and Customer Agreement be terminated in compliance with provisions of the Law of the Republic of Latvia on Prevention of Laundering and Terrorism Financing, the Bank shall (according to the Customer's instructions) transfer funds to the Customer's current account with another bank or to the account from which these funds were received.

22.8. The Bank shall not return documents, which the Customer has submitted to the Bank during their cooperation.

23. Liabilities of the Parties

23.1. Liabilities of the Parties shall be established according to the legislation of the Republic of Latvia.

23.2. Upon performing its operations and financial services, the Bank shall be liable for precise, timely and high quality execution of the Customer's orders, as well as for fair and valid reporting and providing information to Customers.

23.3. The Customer shall be liable to inform the Bank about any unauthorised or incorrect execution of a payment immediately on the receipt of the news but not later than 13 months after the day of the execution of such a payment. The Bank shall be liable to pay the Customer for the damages he/she has incurred when the Bank has executed an unauthorised payment or has made mistakes in the execution thereof.

23.4. The Bank shall not be held liable for the Customer's activities and orders when the Customer has allowed carelessness, negligence or fraud in his/her activity, or has acted against good faith or has failed to meet requirements of the legislation of the Republic of Latvia, agreements or these Terms and Conditions.

23.5. The Bank shall not be held liable for unlawful actions and the correctness and quality of services provided by third parties.

23.6. The Bank shall be exempted from any liabilities when a correspondent bank or a beneficiary bank has failed to execute instructions given by the Bank and the payment has not been received in the full amount for reasons beyond the control of the Bank if the Bank can prove it has executed the payment correctly for its part.

23.7. The Customer shall incur liability for any damages, errors, misinterpretations resulting from the distortion of the text or context of an order given by the Customer when performing any banking operation, including those performed via electronic and other communication facilities.

23.8. The Customer shall be liable to keep all his/her identification data (DigiPass, DC, passwords, TCT, payment cards and their data, PIN codes) safe and secret. The Customer shall make sure that the banking products containing identification data and their PIN codes are stored separately, and they are not mechanically or magnetically damaged. The Customer may not transfer these data to any third person.

23.9. In case the identification data have become available to third persons, the Customer or the cardholder shall immediately inform the Bank thereof so that the Bank could block the access to the Customer's accounts and payment cards.