

Effective as from 4 March 2019

1.1. Terms, Definitions and Principal Conditions of General Regulations for Transactions

Terms

1.1.2. **Customer** means a private individual or legal entity or an incorporation of such individuals or entities, which are associated with the Bank by means of at least one financial service or which have applied for financial services in the Bank. In the present Regulations the representative of the Customer (authorised person) is a legal entity or private individual, which is entitled to act on behalf of the Customer in relations with the Bank.

was not

was not

1.1.15. **Laundering of Proceeds Derived from Criminal Activity** means actions in order to conceal or disguise the illegal origin of funds, or to assist another person involved in illegal actions to avoid legal liability if criminal liability is provided for, irrespective of the location of performance of criminal act.

Terms

1.1.2. **Customer** – a legal entity, an individual or a legal arrangement, or an association of such persons, or an association of arrangements, which the Bank provides financial services to or which have applied for financial services in the Bank. In the present Regulations – also the representative of the Customer (authorised person) - a legal entity or an individual, which is entitled to act on behalf of the Customer in relations with the Bank.

1.1.4. **Business relations** – relations between the Bank and the Customer that arise during the Bank operations and have long-term purpose at the establishment thereof.

1.1.5. **Casual transaction** – a transaction between the Bank and the Customer without establishing Business relations within the meaning of the Law on the Prevention of Money Laundering and Terrorism Financing.

1.1.17. Money Laundering:

a) turning of the funds derived from criminal activities into other valuables, change of their location or ownership while being aware that they result from a criminal activity and if these actions are executed with a purpose of concealing or disguising the illegal origin of the funds or helping a person involved in the above-mentioned illegal activities to avoid legal responsibility for that which has been executed;

b) concealment or disguise of true nature, origin, location, placement, movement and affiliation of proceeds derived from criminal activity, being aware that these proceeds are derived from criminal activity;

c) acquisition of proceeds derived from criminal activity by another person into ownership, possession or usage, or their sale, being aware that these proceeds are derived

Was not

1.1.16. **Shell Bank** means a credit institution, the management, staff or the location of providing financial services of which are not located in the country of its registration and which has no supervisory institution. A person that provides services similar to those of credit institutions by conducting non-cash transfers in the instruction of third parties and that has no supervisory and controlling institution for its operations except for cases where such transfers are performed by an electronic money institution or they are performed between commercial entities of one group, as provided for by the Law on Financial Conglomerates, or between commercial entities having the same True Beneficiary, is also considered a shell bank.

Was not

1.1.17. **Identification** means actions performed by the Bank to verify legal

from criminal activity.

1.1.18. **The list of characteristics of an unusual transaction** — the list approved by the Cabinet of Ministers, with the included transaction indicators, which can define possible money laundering, terrorism financing, or an attempt thereof;

1.1.19. **Shell bank** – a credit institution or a financial institution, or another institution, which carries out activities equivalent to those carried out by a credit institution or a financial institution, and which is registered in the country, where it is not located physically (including its actual management), and which is not related to any regulated and supervised group. The person, which provides services similar to services of a credit institution, making non-cash transfers at the instruction of a third party, and which has no institution, which supervises and controls its activities, is also deemed a shell bank, with exception of the cases, when such transfers are made by an electronic money institution, or when such transfers are made between the commercial companies of one group, within the meaning of Financial Conglomerates Law , or between the commercial companies, which have one and the same beneficial owner.

1.1.20. **Shell arrangement** – a legal entity with one or several of the following indicators inherent thereto:

1.1.20.1. there is no relation between a legal entity and actual economic activities, or the legal entity activities result in little or no economic value, and the subject of the law has no documentary information at its disposal, which is evidence to the contrary;

1.1.20.2. the regulatory enactments of the country of registration of the legal entity do not envisage an obligation to prepare and to submit financial statements, including annual financial statements, on own activities to supervisory authorities of the corresponding country;

1.1.20.3. in the country of registration of the legal entity, the legal entity has no location of economic activities (premises).

1.1.21. **Identification** - actions performed by the Bank or by the authorized person (agent)

<p>capacity and capability of the Customer and/or their representative/authorised person/True Beneficiary.</p> <p>1.1.18. Personal Identity Document means a document issued by the legally authorised state institution, which verifies the identification data of its holder.</p> <p>1.1.19. Remote Account Management Services mean account management using Privat24 or facsimile communication/electronic mail.</p> <p>1.1.22. Bank's Pricelist means Fees on the services approved by the Board of the Bank and effective as of the moment of rendering a relevant financial service; the Customer is charged fees, penalties and other payments in favour of the Bank according to the Pricelist. The Pricelist is available on the Bank's Website.</p>	<p>of the Bank to verify legal capacity and capability of the Customer and/or its representative/authorised person.</p> <p>1.1.22. Identity document – a document issued by a national regulatory authority authorised by regulatory enactments, which certifies the identity and legal status of the document holder.</p> <p>1.1.23. Remote Account Management Services - account management using the Internetbank or facsimile communication/electronic mail.</p> <p>1.1.26. Price list – the commission fee approved by the Board of the Bank, in force as of provision of the respective financial service, according to which, remuneration, punitive sanctions and other payments are withheld from the Customer in favour of the Bank. The Customer can get acquainted with the Price List on the website of the Bank.</p>
<p>1.1.30. Application and Validity of Regulations: [...]</p> <p>1.1.30.3. The Customer is entitled to apply for providing solely those services from the Bank, which are specified in the Bank's Pricelist, Transaction Documents or upon providing of which the Bank and the Customer have entered into a separate agreement pursuant to the regulatory enactments of the Republic of Latvia.</p>	<p>1.1.34. Application and Validity of Regulations: [...]</p> <p>1.1.34.3. The Customer is entitled to only request those Financial services from the Bank, which are specified in the Bank Pricelist, in the Transaction Documents or upon provision of which, the Bank and the Customer have entered into a separate agreement pursuant to the regulatory enactments of the Republic of Latvia.</p>
<p>1.1.32. Customers diligence, Identification and establishing the TB</p> <p>1.1.32.1. The Bank shall provide financial services solely to those Customers who have been identified in full. The Bank performs Customers' Identification in conformity with the requirements of regulatory enactments of the Republic of Latvia and the Bank's regulatory documents.</p> <p>1.1.32.2. A person who applied to the Bank to receive a Financial Service and who has not opened an account with the Bank must be fully identified in accordance with the requirements of the regulatory acts of the Republic of Latvia and the Bank's regulations</p>	<p>1.1.36. The due diligence and identification of the Customer. Powers to act.</p> <p>1.1.36.1. The Bank shall only provide financial services to those Customers who have undergone complete identification and due diligence. The Bank performs Customer Due Diligence, including identification, in conformity with the requirements of regulatory enactments of the Republic of Latvia and the Bank regulatory documents.</p> <p>1.1.32.2. Customer Due diligence shall be conducted for the Person who applied to the Bank to receive Financial services, before:</p> <p>1.1.32.2.1. Commencement of business relationships: Casual transaction, in case:</p> <ul style="list-style-type: none"> • The Transaction amount or the overall

if:

- the volume of the Transaction or the total amount of several related Transactions amounts to EUR 15 000 EUR or more, or is made in a foreign currency which, according to the exchange rate used in the accounting, on the day of commencement of the transaction is EUR 15,000 and exceeds this amount;
- Money transfer is made in the amount of 1 000 Euro, including credit transfer, direct debit, money transfer without opening an account or a transfer made using a payment card;
- if a deal is made in cash with the purchase or sale of foreign currency, the amount of such Transaction or the total amount of several related Transactions exceeds 1 500 euros.

1.1.32.3. When performing Identification, the Bank shall verify the Customer's legal capacity and ability to act.

1.1.32.4. In order to implement the Customer's Identification, as well as prevent Laundering of Proceeds Derived from Criminal Activity and terrorism financing, and in other cases the Bank is entitled to request at any moment the information (documents) from the Customer and the Customer is obliged to submit the requested information (documents) to the Bank in relation to the Customer, their representative, their True Beneficiary, the declared Customer's commercial and private activity, financial standing, explanations on the purpose of the Transaction concluded between the Customer and the Bank, origin of funds, as well as other information (documents), which the Bank considers necessary to request.

1.1.32.5. If the Customer does not submit this information (documents) to the Bank within the term determined by the Bank, or the Bank

amount of several Transactions, which appear to be linked, is 15 000 EUR or more, or is in foreign currency, which, in accordance with the foreign currency exchange rate used in accounting as on the beginning of the transaction conclusion day, is equivalent to 15 000 EUR or exceeds this amount;

- transfer of funds, which exceeds 1000 EUR, is made, including a credit transfer, a direct debit transfer, a money remittance or a transfer made with a payment card, an electronic money instrument, a mobile phone, a digital or another information technology device;
- the foreign currency cash purchase or sale transaction is concluded, the amount of which / the overall amount of several transactions, which appear to be linked, exceeds 1500 euro.

1.1.36.2.2. In case the Transaction matches one of the indicators included in the Unusual transaction indicator list, or there are suspicions regarding money laundering or terrorism financing or an attempt thereof;

1.1.36.2.3. in case of suspicions, that data previously acquired during Customer due diligence are not reliable.

1.1.36.3. In case it cannot be defined during the Transaction conclusion, whether the transaction amount will be 15 000 euro or more, or will be in foreign currency, which, in accordance with the foreign currency exchange rate used in accounting in the beginning of the Transaction conclusion day, is equivalent to 15 000 euro or exceeds this amount, the Customer due diligence shall be carried out, as soon as one has become aware, that the amount of the transaction with the Customer is 15 000 euro or exceeds this amount, or is in foreign currency, which, in accordance with the foreign currency exchange rate used in accounting in the beginning of the Transaction conclusion day, is equivalent to 15 000 euro or exceeds this amount.

1.1.36.4. Customer due diligence measures – a set of actions based on risk assessment, within which, the Bank:

1.1.36.4.1. Identifies the Customer and verifies the acquired identification data;

1.1.36.4.2. Establishes the Beneficial Owner

has suspicions or it is stated that the information (documents) submitted by the Customer is forged and does not correspond to the actual situation, or the Customer is associated with Laundering of Proceeds Derived from Criminal Activity/ financing of terrorism, the Bank is entitled not to enter into cooperation with the potential Customer, to refrain from the execution of the Transaction, to suspend the execution of the Transaction, not to accept and/ or not to fulfil the Customer's Notifications to the Bank, to request the Customer to fulfil their obligations or to terminate Transactions prior to the expiry without explaining the reason thereof to the Customer (potential Customer) and without any liability; in addition to the aforementioned, the Bank is entitled to decide on continuing the cooperation with related customers of such Customer where the relation is defined as per the True Beneficiary. In the cases mentioned herein, the Customer is obliged to indemnify all costs and losses to the Bank, which have arisen in connection with refraining from the execution of the Transaction, its suspension or termination.

1.1.32.6. When providing information to the Customer via telephone or Online Chat the Bank performs Identification of the Customer by using the Password, indicated by the Customer. The procedure for use of the Password is regulated by the Regulations on Providing and Receiving Information and services via Telephone and Online Chat.

1.1.32.7. The Bank is entitled at any moment to change or additionally introduce new requirements for Customers' Identification unilaterally at its discretion without Customers' consent and prior notification. If necessary, the Bank takes measures to insure the receipt of additional identification information from the Customers, as well as from publicly available reliable and independent resources and from other financial or credit institutions. Upon receipt of an appropriate request, the Customer should give its consent to such financial or credit institution regarding disclosure of the information available to this financial or credit institution to the Bank.

1.1.32.7. The Bank is entitled to request from the Customer and the Customer's obligation is

and, based on risk assessment, makes sure that the corresponding individual is the Customer BO. For a legal arrangement and legal entity, the Bank also ascertains the structure of the participants of the relevant person and the way in which the BO control this legal arrangement or legal entity;

1.1.36.4.3. Obtains information about the purpose and intended nature of the Business Relations and Casual transaction;

1.1.36.4.4. After commencement of Business relations monitors them, including inspections which confirm that transactions concluded during Business relations are done in accordance with the Bank's information on the Customer, its economic activities, the risk profiles and the origin of the funds;

1.1.36.4.5. Ensures safe keeping, regular assessment and update of documents, personal data and information, which was acquired during Customer due diligence, in accordance with inherent risks, yet, at least once in five years.

1.1.36.5. When performing Identification, the Bank shall verify the Customer legal capacity and ability to act.

1.1.36.6. The Bank identifies the Customers - individuals after identity documents, the types of which are regulated by the regulatory enactments of the Republic of Latvia.

1.1.36.7. The Customers – legal entities - are identified:

1.1.36.7.1. by documents, which certify the name, legal form and foundation or legal registration of a legal entity;

1.1.36.7.2. by data on registered address and the actual place of economic activities of the legal entity, in case it differs from the registered address;

1.1.36.7.3. by constituent documents of a legal entity (a pre-incorporation contract, articles of association), and identifying the persons, who have the rights to represent the legal entity in the relations with the credit institution, including determination of the names and surnames of the corresponding persons, who hold positions at an administrative institution of the legal entity, acquisition of a document or a copy of the corresponding document, which certifies their rights to represent the legal entity, as well as verification of the identity of these persons.

to submit (to provide for keeping) to the Bank specimen of their own and the persons', authorised to represent the Customer in their relations with the Bank, signature and the seal imprint if any (if the Customer wishes to use the seal), in conformity with the Bank's requirements. The Bank is entitled to make copies of the Personal Identity Documents submitted by the Customer, to attest such copies and to keep them in compliance with the regulatory enactments of the Republic of Latvia.

1.1.32.8. The Bank is not obliged to detect and state the forgery or other incompliance of the Customer's documents, signature, seal, if such forgery or incompliance is not evident and the Bank's employee is not able to detect it in the regular order. Performing Transactions with the Customer, the Bank visually compares the signature and seal imprint specimens of the Customer and/or their representative in the Notification and signature and seal imprint specimens of the Customer and/or their representative, submitted to the Bank. Performing the comparison the Bank is not obliged to take into account the colour of seal imprint specimen. When comparing the data and signature of the Customer and/or their representative with the data and signature specimen, indicated in the Personal Identity Document, the Bank bears responsibility solely for gross inattention.

1.1.32.9. The Customer undertakes full responsibility for the losses, which have arisen for the Bank, by the Customer's intended deception of the Bank, or due to the Customer's inattention. The Customer shall undertake responsibility for the losses, arisen as a result of activities, performed by third parties.

1.1.32.10. The Bank shall perform the Customer's Identification by the Customer's/their representative's identity document, the Customer's/their representative's signature specimen and/or the Customer's/their representative's written consent for the Bank to obtain photos. If the Remote Account Management Systems are used for conclusion and execution of Transactions, the Bank performs the Identification of the Customer by the

1.1.36.8. The Customer shall immediately notify the Bank and provide the Bank with information regarding amendments or additions to the documents certifying its identity data.

1.1.36.9. In order to implement the Customer Identification, as well as prevent Laundering of Proceeds Derived from Criminal Activity and terrorism financing, and in other cases the Bank is entitled to request at any moment the information (documents) from the Customer and the Customer is obliged to submit the requested information (documents) to the Bank in relation to the Customer, its representative, its Beneficial Owner, the declared Customer commercial and private activity, financial standing, explanations on the purpose of the Transaction concluded between the Customer and the Bank, origin of funds, as well as other information (documents), which the Bank considers necessary to request.

1.1.36.10. If the Customer does not submit this information (documents) to the Bank within the term determined by the Bank, or the Bank has suspicions or it is stated that the information (documents) submitted by the Customer is forged and does not correspond to the actual situation, or the Customer is associated with Laundering of Proceeds Derived from Criminal Activity/ financing of terrorism, the Bank is entitled not to enter into cooperation with the potential Customer, to refrain from the execution of the Transaction, to suspend the execution of the Transaction, not to accept and/ or not to fulfil the Customer Notifications to the Bank, to request the Customer to fulfil its obligations or to terminate Transactions prior to the expiry without explaining the reason thereof to the Customer (potential Customer) and without any liability; in addition to the aforementioned, the Bank is entitled to decide on continuing the cooperation with related customers of such Customer where the relation is defined as per Beneficial Owner. In the cases mentioned herein, the Customer is obliged to indemnify all costs and losses to the Bank, which have arisen in connection with refraining from the execution of the Transaction, its suspension or termination.

1.1.36.11. When providing information to the

Passwords, test keys and other technical tools issued to the Customer. The aforementioned identification tools are considered equate with the signature and seal of the Customer and/or their representative. If the Remote Account Management Systems are used for conclusion and execution of Transactions, the Bank performs the Identification of the Customer by the access parameters issued to the Customer and/or authorisation tools. The aforementioned identification tools are considered equate with the signature (seal).

1.1.32.11. The Customer shall bear responsibility for safety and secrecy of the parameters/authorisation tools issued to the Customer. The Customer is responsible for all consequences and losses, arising for the Bank and the Customer, if the Customer's identification tools become known or available for third parties until the incident is reported to the Bank.

1.1.32.12. The Bank has the right to suspend the provision of Financial Services to the Customer/restrict the execution of Transactions in the Customer's Accounts if the validity of the Customer's identity document/authorization document has expired and the Customer has not provided for the Bank a valid ID/authorization document.

Customer via telephone or Online Chat the Bank performs Identification of the Customer by using the Password, indicated by the Customer. The procedure for use of the Password is regulated by Section 2.2 of the Regulations "On Providing and Receiving Information and services via Telephone and Online Chat".

1.1.36.12. The Bank is entitled at any moment to change or additionally introduce new requirements for Customers' Identification unilaterally at its discretion without Customers' consent and prior notification. If necessary, the Bank takes measures to ensure information on additional identification from the Customers, as well as from publicly available reliable and independent resources and from other financial or credit institutions. Upon receipt of an appropriate request, the Customer shall give its consent to such financial or credit institution regarding disclosure of information on the Customer, which is available to this financial or credit institution, to the Bank.

1.1.36.13. The Bank is entitled to request from the Customer and the Customer obligation is to submit (to provide for storage) to the Bank sample of own signature and signatures of the persons, who are authorised to represent the Customer in its relations with the Bank, and the seal imprint if any (if the Customer wishes to use the seal), in conformity with the Bank requirements. The Bank is entitled to make copies of the personal identity documents submitted by the Customer, to certify such copies and to store them in compliance with the regulatory enactments of the Republic of Latvia.

1.1.36.14. The Bank is not obliged to detect and state forgery or other non-compliance of the Customer documents, signature, seal, if such forgery or non-compliance is not evident and the Bank employee is not able to detect it in the regular order. During Transactions with the Customer, the Bank visually compares the signature and seal imprint samples of the Customer and/or of its representative in the Notification with the signature and seal imprint samples of the Customer and/or its representative, which are submitted to the Bank. During the comparison, the Bank is not obliged to take into account the colour of seal

	<p>imprint sample. During comparison of the data and signature of the Customer and/or its representative with the data and signature sample indicated in the identity document, the Bank only bears responsibility for its gross negligence.</p> <p>1.1.36.15. The Customer undertakes full responsibility for the losses, which have been incurred to the Bank by the Customer intended deception of the Bank, or due to the Customer negligence. The Customer shall undertake responsibility for the losses incurred through activities performed by third parties.</p> <p>1.1.36.16. The Bank shall perform Identification of the Customer/its representative, using identity documents of the Customer/its representative, signature sample of the Customer/its representative. If the Remote Account Management Services are used for conclusion and execution of Transactions, the Bank identifies the Customer by access parameters and / or means of authorization issued to the Customer. The aforementioned identification tools are considered equate with the signature (seal) of the Customer and/or its representative. The Customer shall bear responsibility for safety and secrecy of the parameters/authorisation tools issued to the Customer. The Customer is responsible for all consequences and losses incurred to the Bank and the Customer, if the Customer authorization tools become known or available for third parties until the incident is reported to the Bank.</p> <p>1.1.36.17. The Bank has the right to suspend provision of Financial Services to the Customer/restrict the Transaction execution at the Customer's Accounts if the validity of the Customer identity document/authorization document has expired and the Customer has not provided the Bank with a valid identity document/authorization document.</p>
<p>1.1.36. Preparation of Notifications [...]</p> <p>1.1.36.10. The Notifications/ Transaction Documents shall be sent to the legal address indicated by the Customer (for legal entities) or home address (for private individuals) or other address indicated by the Customer. The Bank shall bear no responsibility for the</p>	<p>1.1.40. Preparation of Notifications [...]</p> <p>1.1.40.10. The Bank Notifications / Transaction Documents may be issued to the Customer at the Bank in person, or sent to the Customer via the Internet Bank, or to the indicated legal address / office address (to legal entities) or to the declared / actual</p>

<p>losses of the Customer or third parties, in case the Customer has indicated erroneous, imprecise or incorrect mailing address or has not informed the Bank about the changes in address and as a result has not received or has not received in due term the Notifications/ Transactions documents from the Bank.</p> <p>1.1.36.11. In case Notifications/ Transaction Documents are sent to the Customer to their legal address, actual address or other indicated address, they are considered received on the 7th (seventh) day upon submitting them over to the post office irrespective of the actual date of their receipt.</p>	<p>address of residence (to individuals), or to another address specified by the Customer. The Bank shall bear no responsibility for losses incurred to the Customer or to third parties, in case the Customer has indicated erroneous, imprecise or incorrect mailing address to the Bank or has not informed the Bank about changes in return address and as a result has not received Notifications/ Transactions documents from the Bank / has not received them in due time.</p> <p>1.1.40.11. In case Notifications/ Transaction Documents are sent to the Customer to its indicated address, they are considered received on the seventh (7th) calendar day upon submitting them over to the post office irrespective of the actual date of their receipt.</p>
<p>1.1.40. Termination of Legal (Business) Relations or Demand for Pre-Term Fulfilment of Obligations</p> <p>[...]</p> <p>1.1.40.2. The Bank, by sending a written notification to the Customer, without bearing any legal accountability and not indemnifying any losses to the Customer, is entitled to unilaterally suspend the execution of Transactions, terminate legal (business) relations with the Customer or request the pre-term fulfilment of all their liabilities and close all Customer's accounts with the Bank in accordance with the procedure and terms indicated by the Notification, in the following cases:</p> <ul style="list-style-type: none"> • the Customer does not submit, refuses to submit or fails to submit in due term determined by the Bank information (documents) requested by the Bank or submits false, imprecise or incomplete information (documents), • the Bank has suspicion or it is stated that the documents submitted by the Customer are forged and/ or the information (documents) does not correspond to the actual circumstances, • the Bank has suspicions or stated that a person not identified or duly authorised acts on behalf of the Customer, • the Bank has suspicion or it is stated that the True Beneficiary indicated by 	<p>1.1.44. Termination of Legal (Business) Relations or Demand for Pre-Term Fulfilment of Obligations</p> <p>[...]</p> <p>1.1.44.2. The Bank, by sending a written notification to the Customer, without undertaking any legal accountability and not reimbursing any losses to the Customer, is entitled to unilaterally suspend the Transaction, terminate legal (business) relations with the Customer or request early fulfilment of all its liabilities and close all Customer accounts with the Bank in accordance with the procedure and terms indicated by the Notification, in the following cases:</p> <ul style="list-style-type: none"> • The certifications provided by the Customer are false; • the Customer refuses to submit information (documents) requested by the Bank or fails to submit it in due time determined by the Bank, or has submitted false, imprecise or incomplete information (documents), • the Bank has suspicion or it has stated that the documents submitted by the Customer are forged and/ or the information (documents) does not match the actual circumstances, • the Bank has suspicions or it has stated that a person not identified or duly authorised acts on behalf of the

the Customer is other person,

- the Bank has suspicions or stated that the Customer is a Shell-bank;
- the Bank has suspicions or stated that the Customer has attempted to perform or performs or is engaged in financing of terrorism and/or Laundering of Proceeds Derived from Criminal Activity,
- the Bank has suspicions or stated that the Customer has attempted to use or uses the services provided by the Bank for illegal purposes such as fraud or other illegal actions,
- the Bank has a reason to consider further cooperation with the Customer to be (potentially) undesirable,
- the Customer has not fulfilled justified demand of the Bank to submit or increase the collateral for fulfilment of liabilities of the Customer to the Bank in term and procedure, determined by the Bank,
- the Bank has a ground to consider further cooperation with the Customer as (potentially) disrespectful, inexpedient, discrediting and even undermining the Bank's name, honour, respect, fame or reputation,
- the Customer allows legally penal, dishonest or unethical actions in connection with the Bank or actions, infringing the Bank's interests and reputation,
- the Customer discredits the Bank in any way by allowing infringing, offensive or slanderous actions against the Bank or its employees,
- the Customer has violated present Regulations,
- the Customer does not fulfil their liabilities towards the Bank,
- in cases and procedures enacted in the regulatory enactments of the RL,
- the Bank possesses information that insolvency, liquidation proceedings, and/or out-of-court legal protection (legal protection) of the Customer have been initiated,
- the Bank has suspicions or it has been

Customer,

- the Bank has suspicion or it has stated that the Beneficial Owner indicated by the Customer is another person,
- the Bank has suspicions or it has stated that the Customer is a Shell-bank;
- the Bank has suspicions or it has stated that the Customer is a Shell arrangement, it case the Customer simultaneously matches the criteria defined in the Shell arrangement definition, which is included into these Regulations, or the criteria stated by Clauses 1.1.20.1. un 1.1.20.2,
- the Bank has suspicions or it has stated that the Customer has attempted / is engaged in financing of terrorism and/or Laundering of Proceeds Derived from Criminal Activity, or is related therewith,
- the Bank has suspicions or it has stated that the Customer has attempted to use or uses the services provided by the Bank for illegal purposes such as fraud or other illegal actions,
- the Bank has a reason to consider further cooperation with the Customer to be (potentially) undesirable,
- the Customer has not fulfilled substantiated request of the Bank to submit or increase the collateral for fulfilment of Customer liabilities to the Bank in term or order defined by the Bank,
- the Bank has a ground to consider further cooperation with the Customer as (potentially) disrespectful, inexpedient, discrediting and even undermining the Bank name, honour, respect, fame or reputation,
- the Customer allows legally penal, dishonest or unethical actions in connection with the Bank, or actions infringing the Bank interests and reputation,
- the Customer discredits the Bank in any way by allowing infringing, offensive or slanderous actions against the Bank or its employees,
- the Customer has violated present

<p>discovered that the Customer (individual) dies,</p> <ul style="list-style-type: none"> • in other cases enacted in the provisions of a certain Transaction with the Customer or other agreements between the Bank and the Customer. 	<p>Regulations,</p> <ul style="list-style-type: none"> • the Customer does not fulfil its liabilities to the Bank, • in cases and procedures defined by the regulatory enactments of the RL, • the Bank possesses information that insolvency proceedings, liquidation proceedings, and/or out-of-court legal protection (legal protection) proceedings of the Customer have been initiated, • the Bank has suspicions or it has been discovered that the Customer (individual) is dead, • in other cases defined by the provisions of a Transaction concluded with the Customer or other agreements between the Bank and the Customer.
<p>1.1.41. Applicable Legislation and Procedure for Administration of Disputes: [...]</p> <p>1.1.41.5. If the Bank executed a Payment Order that the Customer had not authorised and the Customer notified the Bank about that, the Bank, in accordance with provisions of Paragraph 1.1.35.4 of the Regulations, should compensate the Customer for the amount of the unauthorised Transfer to recover or ensure the account balance as if the unauthorised Payment Order had not been executed. The Bank shall not compensate the Customer (who is not a Consumer) for the losses up to 150.00 EUR should those arise due to the loss, theft, or other misappropriation of a payment tool in the result of the Customer's failure to ensure safekeeping of personal security means, which led to the misappropriation of the payment tool.</p>	<p>1.1.45. Applicable Legislation and Procedure for Administration of Disputes: [...]</p> <p>1.1.45.1. If the Bank executed a Payment Order that the Customer had not authorised, and the Customer notified the Bank thereof in accordance with provisions of Clause 1.1.41.4 of the Regulations, the Bank, in consideration of the complaint submission time, shall immediately, yet, not later than by the end of the next working day of the Bank, which follows statement of the erroneous or unauthorized Transaction, reimburse the erroneous or unauthorized Transaction to the Customer, reinstating the corresponding account to the condition, as if the unauthorised or erroneously made Transaction had not been executed. The Bank shall not compensate the Customer (who is not a Consumer) for the losses up to 150.00 EUR should those arise due to the loss, theft, or other misappropriation of a payment tool in the result of the Customer (who is not a Consumer) failure to ensure safekeeping of personalized security elements, which led to misappropriation of the payment tool.</p> <p>1.1.45.5.1. The Bank has the right not to observe the term indicated in Clause 1.1.41.5. of the Regulations, and does not reimburse the Customer for the losses incurred, in case the Bank has reasonable suspicion, that the Customer has acted illegally, or intentionally</p>

(deliberately), or has failed to meet one or several requirements of these Regulations due to gross negligence, or has failed to meet provisions of the corresponding contract, including the cases, when the Customer could or should have foreseen losses, yet, the Customer has failed to take care of safety of funds at the Account, or has not provided an application to block the Card / Access parameters / Authorization Tools (*Section 2.2 of the Regulations "Conditions for Providing Remote Account Management Services"; Section 4 of the Regulations "General Regulations on Servicing and Using Payment Cards"*), and the Bank has reported these suspicions to law enforcement authorities and / or to supervisory authorities. The corresponding law or effective regulatory enactments envisage the term, within which, the Bank has the right to verify and state an erroneous or unauthorized Transaction.

1.1.45.5.2. In case the Bank states through verification, that the Transaction disputed by the Customer has been executed as a result of illegal / fraudulent activities of the Customer or through the Customer's gross negligence, the Bank reserves the right to withhold the amount of the disputed Transaction, as well as the commission fee for reviewing an unsubstantiated claim (in accordance with the Price list) from any Customer's Account with the Bank without prior notification. In case there are no funds at the Customer Accounts, the Customer shall ensure funds at the Account in the amount of the disputed payment upon first request of the Bank, and the Bank is entitled to reserve funds at the Customer Accounts in the amount of the disputed payment.

1.1.45.5.3. If the Bank reinstated the Customer Account condition on the basis of information, which the Customer has provided regarding an erroneously made or unauthorised Transaction, before complete verification of whether an erroneously made or unauthorised Transaction has taken place, the Bank has the right to write off the corresponding funds from the Customer Account, if the Bank verification indicates that no erroneously made or unauthorised Transaction has taken place or that the Customer itself bears responsibility for the

	erroneously made or unauthorised Transaction, in accordance with provisions of the corresponding contract, or pursuant to the regulatory enactments. The Bank is not obliged to reinstate the Customer Account condition, before the erroneously made or unauthorised Transaction is stated in the corresponding contract, as defined by the procedure stated by the VISA International Payment Service Regulations.
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2. Account Terms and Conditions
2.1. Terms and Conditions of Account Maintenance

2.1.3.3. The Bank shall accept and consider the Customer's application for opening an Account and submitted (transferred) documents during five (10) Working Days of the Bank and make a decision on conclusion of the Agreement on Opening and Maintenance of Account (opening of the Account) or refusal to conclude the Agreement on Opening and Maintenance of Account (cancellation of the reserved Account). The Bank shall be entitled to open an Account for an individual Customer (conclusion of the Agreement on Opening and Maintenance of Account) on the day when the application for opening the Account is signed.	2.1.3.3. The Bank shall accept and consider the Customer's application for Account opening and provided (submitted) documents, and adopt a decision on entering into business relationships with the Customer, i.e., to enter into the Agreement on Opening and Maintenance of Account (Account opening) or a decision on non-entering into business relationships with the Customer, i.e., to refuse conclusion of the Agreement on Opening and Maintenance of Account (cancellation of the reserved Account). The Bank is entitled to open an Account for a Customer, physical entity of the Republic of Latvia, (conclusion of the Agreement on Opening and Maintenance of Account) on the date of signature of the application for opening the Account.
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2.2. Terms and Conditions of Remote Account Management Services

Privat24 – means a remote account management system in the online mode, which is available on p24.privatbank.lv or on the Bank's page https://p24.privatbank.lv .	Internet Bank – means a remote account management system in the online mode, which is available on the Bank's page https://ibank.privatbank.lv . In the text section term "Privat24" replaced on the term "Internetbank".
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2.2.4. Connecting Remote Account Management Systems 2.2.4.1. Access Parameters and Authorisation Tools are issued to the User based on the Bank's preset application form (Application) submitted by the Customer to the Bank; and they are activated upon a written confirmation of receipt thereof by the User.	2.2.4. Connection of Remote Account Management Services 2.2.4.1. Access Parameters and Authorisation Tools are issued to the User on the basis of the Bank's application form (Application) submitted by the Customer to the Bank; and they are activated upon a written confirmation of the receipt thereof by the User.
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2.2.4.2. If the Customer is an individual who already uses Privat24, new accounts opened with the Bank are automatically connected to the Access Parameters and Authorisation Tools issued earlier.

2.2.4.3. If the Customer is a legal entity that already uses Privat24, the Customer may order new Access Parameters/Authorisation Tools for remote management of accounts opened with the Bank or it can use those issued earlier.

2.2.4.4. Having access to Remote Account Management Systems, the Customer is entitled to submit an application to the Bank regarding the use of issued Access Parameters and Authorisation Tools by a User, whereas, the latter manages Accounts of several Customers simultaneously (individuals and/or legal entities) as the User is the owner / representative / authorised person thereof. The Customer may personally submit the application as per the Bank's sample or sent it to the Bank via Remote Account Management Systems.

2.2.4.5. Privat24 is available in the following modes:

- information mode – with the User's right to view account balances/statements and other information without the right to prepare and send to the Bank Transaction Documents,
- limited mode – with the User's right to view account balances/statements and other information and to prepare Transaction Documents/Notifications without the right to send them to the Bank,
- full mode – with the User's right to view account balances/statements and other information and the right to prepare and send to the Bank Transaction Documents/Notifications.

2.2.8.4. The Bank is responsible for execution of unauthorised Transaction Documents/Notifications, unexecuted or erroneously executed Transaction Documents/Notifications in the amount specified in the specific section of the

2.2.4.2. The User shall be provided with the Access Parameters and Authorisation Tools for the use of the Remote Account Management Services in accordance with the User's rights to manage the respective Customer's Account.

2.2.4.3. When the Customer opens new Accounts with the Bank and/or authorizes the User to manage the Account with the Bank, the User is connected to the new Account with the previously issued Access Parameters and Authorisation Tools in accordance with the User's rights to manage the respective Customer's Account.

2.2.4.4. In order to use the Remote Account Management Services, the Customer is entitled to submit to the Bank an application in the form specified by the Bank for the issue of Access Parameters and Authorisation Tools to the User, to manage various Accounts of the Customer (individual and/or legal entity). The Customer may personally submit the application as per the Bank's sample or sent it to the Bank via Remote Account Management Services.

2.2.4.5. Internet Bank is available in the following modes:

- information mode – with the User's right to view account balances/statements and other information without the right to prepare and send to the Bank Transaction Documents/Notifications;
- limited mode – with the User's right to view account balances/statements and other information and to prepare Transaction Documents/Notifications without the right to send them to the Bank,
- full mode – with the User's right to view account balances/statements and other information and the right to prepare and send to the Bank Transaction Documents/Notifications.

2.2.8.4. The Bank is responsible for execution of unauthorised Transaction Documents/Notifications, unexecuted or erroneously executed Transaction Documents/Notifications in the amount specified in the particular section of the

Regulations (Section 2.4 “Regulations on Non-Cash Transfers” of the Regulations).	Regulations. The procedure for the submission and consideration of the Customer’s claims and complaints with regard to execution of a non-authorized Transaction document/Notification is specified in Section 1.1 – ‘Terms, Definitions and Principal Conditions of General Regulations for Transactions’.
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2.4. Terms and Condition of Non-Cash Transfers	
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<p>2.4.8. Transfers From Customer’s Account or Account of Bank:</p> <p>2.4.8.30. The Bank by means of an Account Statement shall inform a Customer about executed Transfers as per Payment Orders in compliance with the procedure determined by the Bank. The Customer shall agree that the Bank may refrain from submitting information about executed Transfers to the Customer, if the latter waived their rights to receive it.</p> <p>Complete information on Transfers executed as per Payment Orders is available to the Customer electronically at any time via Privat24 Remote Account Management System.</p>	<p>2.4.8. Transfers From Customer’s Account or Account of Bank:</p> <p>2.4.8.30. The Bank by means of an Account Statement shall inform a Customer about executed Transfers as per Payment Orders in compliance with the procedure determined by the Bank. The Customer shall agree that the Bank may refrain from submitting information about executed Transfers to the Customer, if the latter waived their rights to receive it.</p> <p>Complete information on Transfers executed as per Payment Orders is available to the Customer electronically at any time via the Remote Account Management System (Internet bank).</p>
<p>2.4.8.38. The procedure for the submission of Customers’ claims and complaints in relation to non-cash Transfers and consideration thereof is provided in Paragraph 1.1 “Terms, Definitions and Principal Conditions of General Regulations for Transactions” of the Regulations.</p>	<p>2.4.8.38. The procedure for the submission of Customers’ claims and complaints with regard to non-cash Transfers (incl. execution of a non-authorized Transaction document/Notice), submission and consideration thereof is provided for in Section 1.1 – ‘Terms, concepts and key provisions of the General Regulations on Transactions’.</p>

2.7. Basic account	
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<p>2.7.4. The Basic account includes the following services: [...]</p> <p>2.7.4.3. connection to Privat24 Internet bank;</p>	<p>2.7.4. The Basic account includes the following services: [...]</p> <p>2.7.4.3. connection to a Remote account management system (Internet bank);</p>
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3. Deposit Regulations	
3.1. General Conditions for Deposits (Individual Customers).	

<p>3.1.12. Placing of Deposit [...]</p> <p>3.1.12.4. Processing of Deposit application submitted via Privat24 remote account management system:</p>	<p>3.1.12. Placing of Deposit [...]</p> <p>3.1.12.4. Processing of Deposit application submitted via a Remote account management system (Internet bank):</p>
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4. General Terms and Conditions of Maintenance and Use of Payment Cards	
<p>Special Terms: Verified by Visa (VbV) means a technical solution for safe online card transactions based on the application of Card User Authorisation tools with the remote account management system (Privat24) in addition to the Card identification data (card number, validity period and CVV2 Code) upon authentication of a Card User.</p>	<p>Special Terms: Verified by Visa (VbV) - a data solution for safe online Card transactions based on application of Card User Authorisation tools with the Remote account management system (Internet-bank), in addition to the Card identification data (card number, validity period and CVV2 Code).</p>
<p>4.1.5. Use of Card and PIN and Authorisation of Card Transactions [...] 4.1.5.2. A Customer agrees that a Card Transaction is deemed confirmed (authorised) by a Card User in the following cases: 4.1.5.2.1. when executing a Card Transaction the Card User personally signs a document justifying the Transaction, 4.1.5.2.2. the Card Transaction is authorised by entering the PIN at an ATM or payment card terminal, 4.1.5.2.3. the Card Transaction is authorised by entering or providing name, surname of the Card User, as well as the number, expiry date and CVV2 Code of the Card; 4.1.5.2.4. the Card Transaction is authorised by name, surname of the Card User, the Card number, expiry date, CVV2 Code, and authorisation tools; 4.1.5.2.5. Card transaction is authorized by connecting a Card / bringing it close to a reading device which allows processing Card data either by entering the PIN, or without it, when making payment for goods and/or services offered at service (trading) venues.</p>	<p>4.1.5. Use of Card and PIN and Authorisation of Card Transactions [...] 4.1.5.2. the Customer agrees that the Card Transaction is deemed confirmed (authorised) by the Card User in the following cases: 4.1.5.2.1. when executing the Card Transaction the Card User personally signs a document justifying the Transaction, 4.1.5.2.2. the Card PIN is entered in an ATM or in a self-service terminal; 4.1.5.2.3. The name and surname of the Card user, the Card number, the date of its expiry and CVV2 Code are entered or indicated; 4.1.5.2.4. The Card user executed the Card transaction on the web-page of the corresponding service provider, regarding which, the Card user issued a Payment order to the service provider, including a Payment order for regular payments / for subscribed services, and which was authorized by entering or indicating the name and surname of the Card user, the Card number, the date of its expiry and the CVV2 Code; 4.1.5.2.5. the Card Transaction is authorised by name, surname of the Card User, the Card number, expiry date, CVV2 Code, and authorisation tools. 4.1.5.2.6. Card transaction is authorized by connecting the Card / bringing it close to a reading device which allows processing Card data either by entering the PIN, or without it, when making payment for goods and/or services offered at service (trading) venues.</p>
<p>4.1.13. Disputing erroneously made or unauthorised Transactions Was not</p>	<p>4.1.13. Disputing erroneously made or unauthorised Transactions 4.1.13.1.The Customer shall at least once a</p>

	<p>month get acquainted with the Card Account Statement and inspect it.</p>
<p>4.1.13.5. A Customer which is a consumer is entitled to submit reasoned claims regarding a confirmed (authorised) Card Transaction to the Bank in cases specified in the Law on Payment Services and Electronic Money of the Republic of Latvia, provided such Card Transaction was initiated by the beneficiary of the Card Transaction or through intermediary of the latter. The Customer shall specify the precise essence of the claim and detailed facts which could be important for consideration of the claim, as well as provide all available evidences justifying the Customer's claim and grounds thereof.</p>	<p>4.1.13.6. The Customer, which is a consumer, is entitled to a chargeback, in cases specified in the Law on Payment Services and Electronic Money of the Republic of Latvia, provided the Customer immediately, i.e., as soon as it learnt about an unauthorised Card Transaction, but not later than within the time period defined by Clause 4.1.13.1 hereof, inform the Bank about such unauthorised Card Transaction following the procedure established by the Regulations.</p> <p>4.1.13.6.1. The Bank, in consideration of the complaint submission time, shall immediately, yet, not later than by the end of the next working day of the Bank, which follows statement of the erroneous or unauthorized Transaction, reimburse the erroneous or unauthorized Transaction to the Customer, reinstating the corresponding account to the condition, as if the unauthorised or erroneously made Transaction had not been executed. .</p> <p>4.1.13.6.2. The Bank has the right not to observe the term indicated in Clause 4.1.13.9.1. of the Regulations, and does not reimburse the Customer for the losses incurred, in case the Bank has reasonable suspicion, that the Customer has acted illegally, or intentionally (deliberately), or has failed to meet one or several requirements of these Regulations due to gross negligence, or has failed to meet provisions of the Card Contract, including the cases, when the Customer could or should have foreseen losses, yet, the Customer has failed to take care of safety of funds at the Card Account, or has not provided an application to block the Card (Clause 4.1.8 of the Regulations) and the Bank has reported these suspicions to law enforcement authorities and / or to supervisory authorities. The corresponding law or effective regulatory enactments envisage the term, within which, the Bank has the right to verify and state an erroneous or unauthorized Transaction. The Bank shall only repay the amount of the Card Transaction disputed by the Customer to the Card Account upon</p>

	<p>complete settlement of the dispute with the other party to the transaction according to VISA IPS regulations.</p>
<p>4.1.13.7. The Bank shall repay the amount of a Card Transaction disputed by a Customer to Customer's Card Account upon complete settlement of the dispute with the other party and according to VISA IPS regulations.</p>	<p>4.1.13.7. In case the Bank states through verification, that the Transaction disputed by the Customer has been executed as a result of illegal / fraudulent activities of the Customer or through the Customer's gross negligence, the Bank reserves the right to withhold the amount of the disputed Transaction, as well as the commission fee for reviewing an unsubstantiated claim (in accordance with the Price list) from any Customer's Account with the Bank without prior notification. In case there are no funds at the Customer Accounts, the Customer shall ensure funds at the Account in the amount of the disputed payment upon first request of the Bank, and the Bank is entitled to reserve funds at the Customer Accounts in the amount of the disputed payment.</p>
<p>Was not</p>	<p>4.1.13.8. If the Bank reinstated the Customer Account condition on the basis of information, which the Customer has provided regarding an erroneously made or unauthorised Transaction, before complete verification of whether an erroneously made or unauthorised Transaction has taken place, the Bank has the right to write off the corresponding funds from the Customer Account, if the Bank verification indicates that no erroneously made or unauthorised Transaction has taken place or that the Customer itself bears responsibility for the erroneously made or unauthorised Transaction, in accordance with provisions of the corresponding contract, or pursuant to the regulatory enactments. The Bank is not obliged to reinstate the Customer Account condition, before the erroneously made or unauthorised Transaction is stated in the corresponding contract, as defined by the procedure stated by the VISA International</p>

	Payment Service Regulations.
6.5. Regulations for Conducting Transactions with Partial Coverage at Financial Markets and Trade Markets.	
<p>Special terminology: Identification means actions taken by the Bank in order to assure itself of legal capacity and legal competence of the Customer and/or the Authorized person, in accordance with the requirements of Customer Identification Regulations (internal document of the Bank).</p> <p>Written form means an original text of negotiations in a trade platform in paper form, or a document, which is printed out or written in paper form, which is signed by the Customer or by its Authorized person, which, as may be necessary, contains the seal of the Customer, and the authenticity of which is undeniable; or a document, which is received at the online bank (Privat24), and which is signed by the Means of Authorization; or the document, which is received as an authenticated message through the S.W.I.F.T. or telex systems, or by e-mail, to the e-mail address agreed upon by the Parties, as a correctly encrypted message with a test key (a code, a checksum, a password), which is formed, using the means of cryptography that were transferred to the Customer by the Bank, pursuant to a Transfer and Acceptance Act.</p>	<p>Special terminology: Identification means actions taken by the Bank in order to assure itself of legal capacity and legal competence of the Customer and/or the Authorized person, in accordance with the requirements of Customer studying Regulations (internal document of the Bank).</p> <p>Written form means an original text of negotiations in a trade platform in paper form, or a document, which is printed out or written in paper form, which is signed by the Customer or by its Authorized person, which, as may be necessary, contains the seal of the Customer, and the authenticity of which is undeniable; or a document, which is received Remote account management system (Internetbank), and which is signed by the Means of Authorization; or the document, which is received as an authenticated message through the S.W.I.F.T. or telex systems, or by e-mail, to the e-mail address agreed upon by the Parties, as a correctly encrypted message with a test key (a code, a checksum, a password), which is formed, using the means of cryptography that were transferred to the Customer by the Bank, pursuant to a Transfer and Acceptance Act.</p>
<p>6.5.6. Accounts 6.5.6.7. Statements of the Current account and the Asset Accounts are available to the Customer in the online bank (Privat24). Upon Transaction execution, once a month (on the last working day of the month), the Bank provides the Customer with a statement of the Current account and the Asset Accounts, in</p>	<p>6.5.6. Accounts 6.5.6.7. Statements of the Current account and the Asset Accounts are available to the Customer in the Remote account management system (Internetbank). Upon Transaction execution, once a month (on the last working day of the month), the Bank provides the Customer with a statement of the</p>

electronic form, via the Stipulated channels of communication; in case of lack of Transactions, the Bank provides the Customer with a statement of the Current account and the Asset Accounts on an annual basis. Also, at the request of the Customer, the Bank issues a statement of the Current account and the Asset Accounts in paper format.

Current account and the Asset Accounts, in electronic form, via the Stipulated channels of communication; in case of lack of Transactions, the Bank provides the Customer with a statement of the Current account and the Asset Accounts on an annual basis. Also, at the request of the Customer, the Bank issues a statement of the Current account and the Asset Accounts in paper format.