

2. Account Terms and Conditions

2.1. Terms and Conditions of Account Maintenance

Specific Terms

Agreement on Opening and Maintenance of Account means an agreement between the Bank and the Customer on opening and maintenance of an Account, which is concluded on the Customer's part by signing and submitting the application for Account opening to the Bank, and on the Bank's part by opening the Account reserved for the Customer.

IBAN (International Bank Account Number) means an Account number in accordance with an international standard.

Account Statement means a Notification, which the Bank issues to the Customer. It specifies all movements of funds on the Account within a certain time period, and the balance of funds on the Account at the beginning and the end of the period.

For the purposes of this section of the Regulations, the Statement also refers to balance and cash flow statements regarding Customers' Accounts, which are available via Remote Account Management Systems and which are automatically generated for any timeframe selected by the Customer.

General provisions:

2.1.1. The Account Terms and Conditions are applicable in cases when Customers apply for opening of an Account with the Bank under the procedure provided for in these Regulations or when they already have their Accounts opened with the Bank.

2.1.2. The funds on the Customer's Account are on-demand deposits and the Customer is entitled to manage these funds.

2.1.3. Account Opening

2.1.3.1. The Customer may apply for opening an Account with the Bank if the Customer has or plans to place a Deposit with the Bank, and/or to receive the Bank's lending services.

2.1.3.2. The Bank shall open an Account to the Customer and enter into the Agreement on Opening and Maintenance of Account based on the Customer's submitted and signed application for Account opening. The Customer can open multiple accounts with the Bank submitting to the Bank an individual written application for opening each of such Accounts.

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.

2.1.3.4. The Bank is entitled to refuse concluding the Agreement on Opening and Maintenance of Account with the Customer based on the information at the Bank's disposal, without assuming any responsibility. The Bank is not obliged to provide any explanations to the Customer with regards to the grounds of refusal.

2.1.3.5. Starting from the moment when the Bank has opened (activated) an Account for the Customer, it shall be deemed that the Agreement on Opening and Maintenance of Account is concluded between the Bank and the Customer and is valid, which consists of the Application for Account opening, General Regulations on Transactions of AS PrivatBank and Price list.

2.1.3.6. The Agreement on Opening and Maintenance of Account is concluded for an

indefinite period of time.

- 2.1.3.7. The Bank issues an attestation of account opening to the Customer upon his/her request.
- 2.1.3.8. The holder of the Account opened with the Bank is deemed to be a physical or legal entity indicated as 'the Customer' in the application for Account opening.
- 2.1.3.9. The Bank opens Account for the Customer.
- 2.1.3.10. The Customer's funds in foreign currency are deposited on behalf of the Bank on the Bank's correspondent accounts, which are located and opened with foreign banks in the relevant currency issue countries or outside such countries. The Bank's correspondent accounts are enumerated in the list of the Bank's correspondent accounts available at the Bank on its opening hours and on its website. The Customer shall bear all risks arising from foreign exchange restrictions, taxes, duties and other payments, which are valid in the country where relevant funds have been located.

2.1.4. Interim Account

- 2.1.4.1. To ensure the Customer's opportunity to pay the amount of equity capital required for establishment and registration of a legal entity in the Register of Enterprises of the Republic of Latvia, the Bank can open an Interim Account for the legal entity based on the Customer's written application, which the Customer may use solely for the mentioned purpose.
- 2.1.4.2. The management of funds on the Interim Account of the legal entity, which has not been registered in the Register of Enterprises of the Republic of Latvia, is prohibited until the legal entity is registered in the relevant register of the Register of Enterprises of the Republic of Latvia or until the establishment of such legal entity is terminated or until de-registration of such legal entity in the Register of Enterprises of the Republic of Latvia on other grounds.
- 2.1.4.3. The Bank is entitled to write off the Commission from the Interim Account in accordance with the Bank's Price list.
- 2.1.4.4. Upon registration of the legal entity in the relevant register of the Register of Enterprises of the Republic of Latvia, the Customer is entitled to open the Account with the Bank under the procedure provided for in these Regulations.
- 2.1.4.5. In case the process of establishment of the legal entity is completed without registration or the Customer does not want to open the Account with the Bank, the Bank shall close the Interim Account and the funds on the Account should be paid back in cash to the Customer upon his/her written request. In this case, the Bank is entitled to write off the Commission for cash disbursement from the Customer's Interim Account in a non-contentious manner, in accordance with the Bank's Price list.

2.1.5. Account statement

- 2.1.5.1. The Customer is entitled to specify in the Application for Account opening whether he/she wants to receive an Account Statements or not.
- 2.1.5.2. An Account Statement contains the following information:
 - 2.1.5.2.1. the Transaction amount and currency in which the amount was debited from/credited to the Account,
 - 2.1.5.2.2. the reference allowing the Customer to identify the Transaction,
 - 2.1.5.2.3. the Commission, which the Customer should pay for executed Transaction in accordance with the Price list,
 - 2.1.5.2.4. the exchange rate used for the Transaction execution and the Transaction amount before the currency exchange (if any),
 - 2.1.5.2.5. the transaction value date.

- 2.1.5.3. The Commission for drawing up the Account Statement is payable under the Bank's Price list.
- 2.1.5.4. The Bank shall issue or send the Account Statement to the Customer in accordance with the Application for Account opening. The Customer shall bear the cost of sending the Account Statements under the Bank's Price list.
- 2.1.5.5. Account Statements are issued to Customers in paper form, specifying information provided for in Paragraph 2.1.5.2 herein and complying with the following provisions:
 - 2.1.5.5.1. the Customer (Consumer) can request and receive once a month information about Transactions executed on the Account free of charge at the Bank's customer-servicing structural units on bank opening hours,
 - 2.1.5.5.2. if the Customer requests from the Bank information in addition to the one listed in Paragraph 2.1.5.2 herein or asks to provide information using other communication channels, or intends to receive information more frequently than required under the Regulations, the Bank shall provide the information requested in accordance with the Price list.
 - 2.1.5.6. The Customer is obliged to immediately verify the accuracy and completeness of all Account Statements received from the Bank.
 - 2.1.5.7. If the Customer immediately, but not later than within 10 (ten) calendar days upon issuing or sending of a Account Statement, has not lodged a complaint (claim) to the Bank with regard to Transactions executed on the Account, the Bank and the Customer shall consider that the accuracy and completeness of the Transactions executed on the Account and the Account Statement are confirmed by the Customer. In case the Customer has not applied for a Account Statement in the Bank or has refused from it, the Customer may dispute the Transaction executed on the Account within 5 (five) bank working days from the moment when the Transaction was executed.
 - 2.1.5.8. The Bank shall be liable for correct execution of Transactions in accordance with valid regulatory enactments of the Republic of Latvia. The Customer is entitled to compensation for losses from the Bank if the Customer immediately informs the Bank about any identified Card Transaction after having become aware of unauthorised or wrongly executed Card transaction, but not later than 13 (thirteen) months following such debit of funds from their Account. The Bank shall immediately compensate the Customer for the losses by repaying the amount of an unauthorised Card Transaction or bringing back the balance of the Customer's Account from which the funds were debited to as it was before the unauthorised Card Transaction was executed, provided the Card Transaction was not disputed and was executed in accordance these Regulations and the Card agreement.
- 2.1.6. **Account Block and Suspension of Transactions**
 - 2.1.6.1. The Bank is entitled to refrain from execution of Transactions with the Customer's funds on his/her Account (to suspend one and/or several and/or all Debit transactions on the Account, as well as all Credit Transactions at the Banks discretion) without assuming any responsibility, in compliance with:
 - 2.1.6.1.1. requirements of the Regulations, which determine the refraining from the execution of a Transaction or termination of legal (business) relations,
 - 2.1.6.1.2. requirements of the Regulations, which determine non-acceptance and/or non-execution of a Notification submitted by the Customer,
 - 2.1.6.1.3. in the cases provided for in the regulatory enactments in force,
 - 2.1.6.1.4. pursuant to the orders of public authorities / officials.

2.1.7. Account Servicing and Closing

- 2.1.7.1. In case when the Customer's Account is seized or restrictions on transactions with an Account have been placed with the decree/order of the relevant state institution/service or state official, non-cash transfers from the Customer's Account on the basis of the Payment Order (according to clauses 2.4.8 of these Regulations) are made within 1 (one) hour from the moment of submitting the Payment Order.
- 2.1.7.2. The Customer is obliged to perform settlement for all his/her liabilities towards the Bank until the moment of closing of the Account. In case the Customer does not fulfil his/her liabilities towards the Bank, the Bank is entitled to suspend the balance amount payable to the Customer until the Customer fulfils his/her obligations towards the Bank in full. The Bank is entitled to claim recovery against the suspended funds to ensure the fulfilment of Customer's liabilities towards the Bank in a non-contentious manner and without judicial intervention.
- 2.1.7.3. The Customer is obliged to release the Bank from all the obligations undertaken by the Bank while executing the Customer's instructions and indemnify all the expenses and losses to the Bank until the account closing; as well as, if required, to provide the eligible collateral.
- 2.1.7.4. The Customer shall pay the Commission for account closing in accordance with the Bank's Price list.
- 2.1.7.5. The given Regulations and the Bank's Price list are valid with regard to reciprocal claims between the Customer and the Bank even after the account closing.
- 2.1.7.6. The Customer has the right to declare the Account closing at any time by written notice. The Customer's account is closed within 10 (ten) calendar days after receiving the Customer's written Notice if the Customer has fulfilled all obligations to the Bank and submitted all information requested by the Bank.
- 2.1.7.7. If the Customer has not executed any Transactions on the Account for more than 6 (six) months in a row and the Account balance is less than or equals to the Commission on account closing provided for in the Bank's Price list, the Bank is entitled to unilaterally close all Customer's Accounts with the Bank without sending any notification thereof to the Customer and without bearing any legal accountability and not indemnifying any losses to the Customer.
- 2.1.7.8. Termination of legal (business) relations and closing of all Accounts of the Customer with the Bank is executed in accordance with Section 1.1. – 'Terms, concepts and key provisions of the General Regulations on Transactions'.