

Conditions of Payment Services Agreement

Valid from
13 January 2018

1. GENERAL PROVISIONS

- 1.1. These Conditions constitute an inseparable part of the Agreement and are applied to the Agreement insofar as the Bank and the Customer have not agreed otherwise.
- 1.2. Under the Agreement, the Bank is obliged to open an Account for the Customer, keep the Customer's funds on the Account, and execute Payment Transactions on the conditions set forth in the Agreement.
- 1.3. In matters not regulated by the Agreement the Bank and the Customer follow, in addition to the Conditions, also the General Conditions insofar as these are not in conflict with the Conditions or other terms and conditions of the Agreement. The Customer has accessed the General Conditions and is aware of the Customer's duties and the Bank's rights arising therefrom.
- 1.4. The Agreement is governed by the law of the Republic of Estonia.

2. TERMS AND DEFINITIONS

- 2.1. In addition to the terms and definitions specified in the Bank's General Conditions, the following terms shall apply for the purposes of the Conditions:
 - 2.1.1 **Debiting** means making transfers that reduce the amount of money on the Account.
 - 2.1.2 **EEA** means the European Economic Area.
 - 2.1.3 **Account** is an account opened for the Customer in the Bank, where the Bank keeps the money belonging to and accruing to the Customer.
 - 2.1.4 **Crediting** means making transfers that increase the amount of money on the Account.
 - 2.1.5 **Agreement** is the Payment Services Agreement, i.e. the current account agreement.
 - 2.1.6 **Payment Order** is any order for performing a Payment Transaction submitted by the Customer to the Bank. A Payment Order is divided into: (a) a credit Payment Order, i.e. a Payment Order initiated by the Payer, (b) a debit Payment Order, i.e. a Payment Order initiated by the Beneficiary or a third party with the right, under law or contract, to initiate payments.
 - 2.1.7 **Payment Transaction** means conducting operations (including card transactions) pursuant to the Customer's Payment Orders with the money on the Account.
 - 2.1.8 **Main Currency** is the euro, unless otherwise specified in the Agreement by the Customer.
 - 2.1.9 **Beneficiary** is the person, whose account is Credited on the basis of the Payment Order.
 - 2.1.10 **Conditions** mean these Conditions of Payment Services Agreement.

3. USAGE OF ACCOUNT

- 3.1. The Customer may open several Accounts in his or her name, unless otherwise provided by legislation.
- 3.2. The Customer has the right to keep euros and currencies quoted by the Bank on the Account. The Customer and the Bank may specify in the Agreement which currencies may be kept on the Account. The Customer and the Bank agree what currency is the Main Currency of the Account. The Customer and the Bank may change the Main Currency by agreement.
- 3.3. The Customer uses the Account personally or via a person authorised by the Customer or via a person having the right of representation arising from law.
- 3.4. The Customer has the right to use the services provided under the Agreement via payment service providers authorised by the Financial Supervision Authority. The Bank may refuse to grant the payment service provider Account access in justified cases, as appropriately evidenced and relating to unauthorised or fraudulent access by the payment service provider to the Account, including unauthorised or fraudulent initiation of Payment Transactions.
- 3.5. The Bank Credits the Account in the amount of the payments accrued for the benefit of the Customer.
- 3.6. The Bank Debits the Account:
 - 3.6.1. on the basis of the Payment Order;
 - 3.6.2. on the basis of another agreement made between the Customer and the Bank;
 - 3.6.3. in another event provided by the Agreement, General Conditions or legislation.
- 3.7. If the Bank and the Customer have not agreed otherwise, the Customer has the right to conduct Payment Transactions to the extent of the money kept on the Account.
- 3.8. The Customer must certify the right to use the Account in a manner acceptable for the Bank. The Bank has the right to refuse from execution of a Payment Transaction if the Bank suspects that the person who wants to enter into the Payment Transaction is not authorised to do so, or if the Payment Transaction has been initiated via a payment service provider and the Bank has a justifiable suspicion that the Payment Transaction has not been appropriately authorised by the Customer. In such an event, the Bank is not liable for any damage or loss caused as a result of refusing to execute the Payment Transaction.

4. CUSTOMER'S PAYMENT ORDERS

- 4.1. The Payment Order for making a Payment Transaction may have been submitted for making one-off or multiple payments.
- 4.2. The Bank has the right to assume that the contents of the Payment Order submitted to the Bank correspond to the Customer's will.

- 4.3. The Bank requires strong authentication of the Customer upon submission of a Payment Order, including the use of a minimum of two independent elements of knowing (something that only the Customer knows), holding (something that only the Customer holds) or attribution (something attributable to the Customer only), if the Customer wishes to access the Account, initiate the Payment Order via the Internet or via other remote access connection, or to perform any other operations involving the risk of misuse of payment service-related data or fraud.
- 4.4. The Bank accepts for execution only such Payment Orders, which are submitted to the Bank in writing or in another manner agreed between the Bank and the Customer, formalised in accordance with the relevant regulatory standards of Eesti Pank and the instructions given and developed by the Bank (e.g. Internet bank or e/mail) and which clearly expresses the will of the Customer. A Payment Order meeting those requirements shall be considered as authorized within the meaning of the Estonian Law of Obligations Act. The Payment Order forms are available on the Website and in the Bank's service halls.
- 4.5. On the Customer's request, the Bank shall submit to the Customer, before executing the Payment Order, the information on the time of performance of the Payment Order, fees associated with the performance of the Payment Order and the basis for calculation thereof.
- 4.6. The day on which the Payment Order has been accepted for execution by the Bank is considered the day when the Customer has submitted to the Bank all the data required by the Bank for execution of the Payment Order and there is enough money on the Account for executing the Payment Order. If Payment Order given by the Customer is incorrect or insufficient (incl. if not all the data necessary for and requested by the Bank for execution of the Payment Order have been submitted to the Bank), the Bank has the right to determine the manner of performance of the Payment Order on the basis of the principles of sound banking management or not to execute the Payment Order.
- 4.7. Upon accepting the Payment Order from the Customer the Bank has the right to ask the Customer for documentary confirmation of the legal origin of the money used for execution of the Payment Transaction. The Bank is not obligated to execute the Payment Order before receiving the respective confirmation.
- 4.8. The Bank has the right to ask the Customer for additional confirmation for execution of the Payment Order from the moment the transfer limit established by the Bank is exceeded.
- 4.9. The Customer is obligated to ensure that there is enough money in the required currency on the Account for execution of all Payment Orders given on the basis of the Agreement and other agreements related to the Account concluded between the Bank and the Customer.
- 4.10. Unless otherwise agreed with the Customer, the Bank has the right not to execute the Payment Order if there is not enough money on the Account in the required currency for execution of the Payment Order and for the service fee. The Bank is not obligated to execute the Payment Order if the Customer does not give due confirmation specified in Articles 4.7 or 4.8 of the Conditions.
- 4.11. The Customer is obligated to notify the Bank of an incorrectly executed (incl. unauthorized) Payment Order immediately after

the Customer has learned about such an incident. The Customer loses the right (incl. the right set out in Article 12.3 of the Conditions) to lodge claims and objections with regard to the incorrectly executed order if the Customer has not notified the Bank thereof within 13 (thirteen) months as of the execution date of the incorrectly executed Payment Order. The Customer who is a legal person loses the right to lodge claims and objections with regard to the incorrectly executed Payment Order if it has not notified the Bank thereof within 1 (one) month as of the execution date of the incorrectly executed Payment Order.

5. TERM OF EXECUTION OF ORDERS

- 5.1. The Bank executes the Payment Orders within the periods prescribed in the legislation, in the regulations of Eesti Pank and in the instructions given and developed by the Bank, in force at the time of accepting the Payment Order for execution, unless otherwise provided by the Agreement.
- 5.2. The Bank has the right to establish more favourable conditions for the Customer for execution of Payment Orders than those set out in legislation and in the regulations of Eesti Pank.
- 5.3. The Bank shall guarantee the accrual of the payment in the amount indicated in the Payment Order to the account of the Beneficiary's payment service provider on the next Settlement Day, unless Articles 5.4 and 5.5 provide otherwise.
- 5.4. If the Customer has given the Payment Order in a currency of the EEA contracting state other than euro, the Bank shall guarantee the accrual of the payment amount to the account of the Beneficiary's payment service provider within 4 (four) Settlement Days as of the acceptance of the Payment Order for execution.
- 5.5. If the Customer has given the payment order in a currency denominated by the Bank, and the order has been given to be executed in a non-EEA contracting state, the Bank shall guarantee the accrual of the payment amount to the account of the Beneficiary's payment service provider within 5 (five) Settlement Days as of the acceptance of the Payment Order for execution.
- 5.6. The Bank may refuse from execution of the Payment Order if the Customer has specified the date of accrual of the payment amount to the account of the Beneficiary's payment service provider being the same date as the date of receipt of the Payment Order or, in the case of an international payment order, the date when the accrual of the payment amount to the account of the Beneficiary's payment service provider cannot be deemed likely.
- 5.7. Upon accepting a Payment Order, the Bank Credits the Customer's Account on the same or the next Settlement Day, when the Bank's account has been Credited.

6. WITHDRAWAL OF ORDERS

- 6.1. The Customer receives information about execution or non-execution of the Payment Order from an Account statement, upon request from the Bank's service hall or via a communication channel used on the basis of an agreement made between the Customer and the Bank.

- 6.2. Pursuant to the procedure set out in the General Conditions and in the instructions given and developed by the Bank the Customer may withdraw the Payment Order given to the Bank.

7. SETTLEMENTS IN FOREIGN CURRENCY

- 7.1. Only the currency specified in Article 3.2 of the Conditions may be kept on the Account.
- 7.2. With regard to Payment Transactions and operations made by the Customer in foreign currency, the Bank has the right to apply all conditions and restrictions established in the country of origin of the currency, including the restrictions established by payment intermediaries or other partners of the Bank, and which influence the Bank upon making Payment Transactions or making investments with the currency.
- 7.3. Obligations nominated in a foreign currency are subject to performance in the same currency, unless otherwise agreed.
- 7.4. If an amount in a currency other than the currency specified in Article 3.2 accrues to the Account, the Bank converts the currency into the Main Currency on the basis of the exchange rate effective on the date of the accrual. The Bank is not obligated to notify the Customer of the conversion. Information about the exchange rates quoted by the Bank is available in the Bank's service centres and on the Website.
- 7.5. The Bank has the right to convert the currency on the Account or accruing to the Account into the Main Currency without notifying the Customer thereof if the Account has been seized and 1 (one) year as passed from the seizure of the Account.

8. ERRONEOUS TRANSFERS

- 8.1. If an amount has been transferred to the Account unfoundedly, the Customer is obligated to immediately notify the Bank and return the amount to the Bank.
- 8.2. The Bank has the right to freeze the amounts unfoundedly transferred to the Account by an error of the Bank and/or Debit such amounts from the Account without the Customer's permission if the Customer has not returned these on their own initiative.
- 8.3. If the Bank has erred upon execution of the Payment Order in terms of the amount, description, reference number or other details of the payment, the Bank has the right to Debit the Account without the Customer's permission for the purpose of making a corrective transfer and make the payment in exact compliance with the details of the Payment Order.
- 8.4. If the Bank Debits the Customer's Account unfoundedly (among other things, deviates from the Payment Order without justification), the Bank is obligated to Credit the Account to the extent of Debiting.

9. INTEREST

- 9.1. The Bank pays the Customer interest for the money kept on the Account pursuant to the interest rate established by the Bank, unless otherwise provided by the Agreement. The Bank transfers the interest to the Customer's Account pursuant to the Bank's procedure in force, but no less than once a year.

- 9.2. The Bank determines the bases for calculation of Interest. Upon establishment of the interest rate and bases for calculation of interest, the Bank proceeds from the legislation in force.
- 9.3. The Customer has the right to receive information about calculation and payment of interest at any time.

10. SERVICE FEES

- 10.1. The Customer pays a service fee to the Bank for opening, using and managing the Account pursuant to the Bank's Price List or the Agreement.
- 10.2. In case of a Payment Order made in EEA currency to an EEA contracting state, the Customer shall pay the Bank's service fees and the Beneficiary the fees charged by its payment service provider.
- 10.3. The Bank has the right to Debit the Account with the service fees and other amounts payable by the Customer, including the Bank's claims arising from the Agreement, credit and securities transactions between the Customer and the Bank, and other agreements made between the Bank and the Customer.
- 10.4. The Bank Debits the amounts payable by the Customer from the Account in the currency of the Payment Transaction, unless provided otherwise in the Bank's Price List, Agreement or another agreement between the parties. If there is no such currency on the Account, the Bank converts the required amount from the Main Currency or another currency available on the Account. The conversion is based on the effective exchange rates of the Bank at the moment of the Payment Transaction.
- 10.5. If there is no money on the Account or it is not sufficient for debiting the service fees and sums deriving from other agreements made between the Bank and the Customer, the Bank has the right to debit the said amounts from other accounts of the same Customer with the Bank, including from any other currency of its choice available on the respective accounts.

11. BANK'S ACCOUNTING AND NOTIFICATION OBLIGATION

- 11.1. The Bank keeps account of Crediting and Debiting the Account.
- 11.2. The Customer has the right to request information about the status of their Account and the circumstances of Crediting and Debiting at any time at their own expense.
- 11.3. In the events provided by legislation or agreed with the Customer the Bank submits a free account statement to the Customer.

12. LIABILITY OF PARTIES

- 12.1. The Customer is liable for errors, inaccuracies, insufficient data, mistakes or transmission errors contained in Payment Orders given by the Customer to the Bank.
- 12.2. The Parties are liable for breach of their obligations pursuant to the Conditions, General Conditions and legal acts.
- 12.3. If a Payment Order has been left unexecuted or has been executed incorrectly or has been delayed, the Customer has the right to demand from the Bank immediate repayment of the payment amount and the paid service fees without any deductions, unless the Bank proves that the payment amount has, within time limits set out in legislation and without deductions,

accrued to the account of the Beneficiary's payment service provider. If the Bank or a payment intermediary chosen by the Bank has made unjustified deductions from the payment amount, the Bank must immediately forward the deducted sums to the Beneficiary of the payment.

- 12.4. If the failure to execute or appropriately execute the Payment Order cannot be attributable to the Bank's actions or failure to act, the Bank shall have the right to charge the fees specified in the Price List for withdrawal of the Payment Order by the Customer.
- 12.5. The Customer does not have the rights set out in Article 12.3 of the Conditions if the Bank has executed the Payment Order in accordance with the unique identifier (combination of letters, numbers or symbols, which could be the name or the account number of the Beneficiary and that the Customer provides to the Bank in order to unambiguously identify the Beneficiary of the payment or the Beneficiary's account) provided by the Customer to the Bank, or if the Payment Order was executed incorrectly or was left unexecuted or unjustified deductions were made from the payment amount by a payment intermediary chosen by the Customer.
- 12.6. If the Bank fails to execute or appropriately execute the Payment Order, the Customer shall have the right to demand from the Bank verification of the Payment Transaction, and forwarding of the entire information in the Bank's possession to the Customer.
- 12.7. The Bank shall not be held liable for any damage caused to the Customer, if the Customer has used the Bank's services via a payment service provider who does not hold an authorisation issued by the Financial Supervision Authority as specified in Article 3.4 and who does not meet the requirements established by payment mediation regulations.

13. FREEZING AND SEIZURE OF ACCOUNT

- 13.1. The Bank has the right to freeze the Account or seize it in the events and pursuant to the procedure provided in legislation, the Agreement and/or the General Conditions.

14. VALIDITY, AMENDMENT AND TERMINATION OF AGREEMENT

- 14.1. The Agreement enters into force at the moment of signing the Agreement and remains in force for an unspecified period.
- 14.2. The Bank has the right to amend the Conditions unilaterally if it notifies the Customer regarding the amendments at least 2 (two) months in advance. Within those 2 (two) months the Customer shall have the right to terminate the Agreement immediately and free of charge. If the Customer has not terminated the Agreement during the set term, it is deemed that the Customer has consented to the amendment.
- 14.3. The Customer has the right to unilaterally terminate the Agreement at any time.
- 14.4. The Bank has the right to unilaterally terminate the Agreement by notifying the Customer thereof at least 2 (two) months in advance.
- 14.5. The Bank has the right to unilaterally terminate the Agreement with a Customer who is a legal person in accordance with the advance notice term for normal termination set out in the General Conditions.

- 14.6. The Bank has the right to terminate the Agreement extraordinarily, if the Customer is in breach of the Agreement or General Conditions. A breach of the Agreement is considered relevant, first of all, in the following events:

- 14.6.1. the Customer refuses to submit data or documents to the Bank or has submitted false data or documents;
- 14.6.2. the Customer has not, in spite of the Bank's request, submitted the required data or documents for verifying the legal origin of his or her funds or the Customer is suspected of money laundering or terrorist financing for another good reason;
- 14.6.3. the Customer constantly has overdue financial obligations before the Bank;
- 14.6.4. if a legal impediment such as limited active legal capacity or absence of active legal capacity, controversial rights of representation or absence of the rights of representation precludes continuance of the Agreement.
- 14.7. The Bank has the right to unilaterally terminate the Agreement on other grounds arising from the General Conditions or legislation.
- 14.8. Upon making a decision of extraordinary termination of the Agreement, the Bank weights the circumstances of each single case from all perspectives and makes the decision based on the principle of reasonableness.
- 14.9. Upon termination of the Agreement the Bank has the right to terminate any and all other Agreements made between the Bank and the Customer for disposal of the Account, unless otherwise provided by the General Conditions or legislation.

15. CONSEQUENCES OF TERMINATION OF AGREEMENT

- 15.1. Termination of the Agreement does not affect any claims becoming collectible or satisfaction of any claims that emerged before the termination of the Agreement.
- 15.2. If a payment made to the Customer accrues to the Bank within 1 (one) month after termination of the Agreement, the Bank accepts the payment and notifies the Customer thereof.
- 15.3. 1 (one) month after termination of the Agreement the Bank closes the Account. Before closing the Account the Bank transfers to the Account any and all interest payable by the Bank and withholds any and all service fees and other accounts payable by the Customer to the Bank and pays the balance of the funds on the Account to the Customer or to a third party indicated by the Customer or transfers it to the account indicated by the Customer.
- 15.4. If the Customer has not given the Bank the Payment Order to pay the balance of the funds or transfer it to another account, the Bank keeps the funds on its own account and pays them to the Customer upon the Customer's first demand or deposits them with a notary public in the name of the Customer. The Bank does not pay any interest on the money left in the possession of the Bank after termination of the Agreement and closure of the Account.
- 15.5. As of the moment of closure of the Account all agreements related to the Account are deemed as terminated and the due date of duties and obligations arising from these agreements as arrived.
- 15.6. A closed Account cannot be reopened.