

Conditions of Standing Order Agreement

Valid from
01.06.2010

1. TERMS AND DEFINITIONS

- 1.1. **Standing order** is the Customer's Payment Order which is issued to the Bank for the execution of regular payments from the Customer's Account.

2. GENERAL PROVISIONS

- 2.1. A standing order is executed on the conditions and pursuant to the procedure provided in the standing order agreement (hereinafter the **Agreement**).
- 2.2. These conditions of the Agreement (hereinafter the **Conditions**) shall form an integral part of the Agreement, and shall be applicable to the Agreement, unless otherwise agreed between the Bank and the Customer.
- 2.3. In addition to the terms and definitions set forth in the Conditions, the terms and definitions provided in the Bank's General Conditions and the Payment Services Agreement shall apply.
- 2.4. In issues not regulated by the Agreement, the Bank and the Customer shall be governed, in addition to the Conditions, by the Bank's General Conditions and the Conditions of Payment Services Agreement, including other documents referred to therein, 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.
- 2.5. The Agreement shall be governed by the laws of the Republic of Estonia.

3. EXECUTION OF PAYMENTS

- 3.1. With the conclusion of the Agreement, the Customer shall give the Bank the order to effect, during the term of the Agreement, payments to the Beneficiary at the dates established by the Customer (hereinafter the **Payment Date**). With the conclusion of the Agreement, any payments effected on the basis of the Standing Order shall be considered as authorised in the meaning of the Law of Obligations Act.
- 3.2. The Customer shall have the right to demand execution of payments, and the Bank shall have the obligation to effect payments on the Payment Dates.
- 3.3. The Customer shall pay the Bank a service charge for the payments effected on the basis of the Standing Order in accordance with the Bank's price list.
- 3.4. The Customer is obliged to make sure that the Account holds sufficient funds on the Payment Date for execution of the payment and debiting of the Bank's service charge.

- 3.5. If the Account holds insufficient funds for execution of the payment on the Payment Date, the Bank shall withhold execution of the Standing Order. The Bank shall also have the right to withhold execution of the Payment Order, if the Account holds insufficient funds for debiting of the Bank's service charge. The Bank shall not convert other currencies available on the Account for the execution of the payment, and shall not effect the payment from the Customer's other Accounts opened at the Bank.

- 3.6. Notwithstanding the provisions of clause 3.5, the Bank shall have the right to check the Account within 3 (three) days after the Payment Date, and execute the Standing Order if the Account holds sufficient funds for execution of the payment and debiting of the Bank's service charges.

- 3.7. If the Customer issues several Standing Orders with the same Payment Date, but the funds available on the Account are insufficient for execution of all Standing Orders, the Bank shall decide on the order of the execution of the payment orders at its own discretion.

- 3.8. If the Beneficiary's bank account data is changed during the term of the Agreement, the Bank shall have the right to change the data without separately informing the Customer.

- 3.9. Execution of payments on the basis of the Standing Order shall be suspended, if the Customer's account is blocked or seized.

4. LIABILITY

- 4.1. The Bank shall be held responsible for timely and complete execution of the payments to be effected on the basis of the Standing Order. The Bank shall not be held liable for failure to execute payments, or for partial execution of payments, if the failure or partial execution was conditioned by the lack of sufficient funds on the Account.
- 4.2. The Customer shall be held liable for the correctness of the data which serves as the basis of the payments to be effected on the basis of the Standing Order.

5. ENTRY INTO FORCE, AMENDMENT AND TERMINATION OF THE AGREEMENT

- 5.1. The Agreement shall enter into force upon its conclusion, and may be concluded without a term, or for a fixed term.
- 5.2. The Customer shall have the right to change the data which serves as the basis for the payments to be effected under the Standing Order by issuing a corresponding order to the Bank.

- 5.3. The Bank shall have the right to unilaterally amend the Conditions by notifying the Customer thereof at least 2 (two) months in advance. The Customer shall have the right to immediately cancel the Agreement free of charge within the above term of 2 (two) months. If the Customer fails to cancel the Agreement within the above term, it shall be considered that the Customer has accepted the amendments.
- 5.4. The Customer shall have the right to cancel the Agreement at any time.
- 5.5. The Bank shall have the right to terminate the Agreement by giving the Customer an advance notice of at least 2 (two) months.
- 5.6. In case of a Customer who is a legal person, the Bank shall have the right to terminate the Agreement by adhering to the term of advance notification stipulated in the General Conditions.
- 5.7. In addition to the stipulations of the General Conditions, Payment Services Agreement or other bases provided by law, the Bank shall have the right to extraordinarily cancel the Agreement without any advance notification, if:
 - 5.7.1. the payment fails due to incorrect bank account data, missing account number of the beneficiary, or closure of the account;
 - 5.7.2. payments have failed on three consecutive occasions due to lack of funds or insufficient funds on the Account, or blocking or seizure of the Account, or if the Bank fails to debit the service charge.