

GENERAL CONDITIONS OF AS LHV PANK

Effective as of 13 January 2018

1. GENERAL PROVISIONS

1.1. Definitions

- 1.1.1. **Settlement Day** means the day when the payment service providers involved in the fulfilment of the payment order are open for settling the payment transaction. Settlement Day is a day other than a Saturday, Sunday, national or public holiday. More detailed information on the Bank's Settlement Days is available on the Bank's Website.
- 1.1.2. **Special Conditions** mean standard conditions of a Service or a transaction established by the Bank, which are applied to the respective Service or transaction in addition to the General Conditions and the Service Conditions.
- 1.1.3. **Group** means the Bank and companies belonging to the Bank's group of undertakings, jointly and severally.
- 1.1.4. **Price List** means the price list of Services adopted by the Bank.
- 1.1.5. **Imperative Provisions** means provisions of law contained in the legal acts which cannot be derogated by agreement for the benefit of the Bank.
- 1.1.6. **Internet Bank** means a part of the Website which the Customer can access using the Security Elements.
- 1.1.7. **Principles of Processing Customer Data** mean principles established by the Bank and applied by the Bank for processing the Customer's data, and which constitute a part of the General Conditions.
- 1.1.8. **Customer Relationships** mean legal relationships between the Bank and the Customer arising when the Customer uses or has used the Service or has addressed the Bank for the purpose of using the Service.
- 1.1.9. **Customer** means any natural or legal person who uses or has used the Service or who has addressed the Bank for the purpose of using the Service.
- 1.1.10. **Third Party** is any natural or legal person who is not a Party.
- 1.1.11. **Account** means an account opened for the Customer by the Bank where pursuant to the Agreements the Customer's money, securities and/or other assets are kept.
- 1.1.12. **Agreement** means an agreement between the Bank and the Customer for provision of the Service including the General Conditions, Service Conditions and Price List, also the Special Conditions accepted by the Customer and other relevant annexes to the Agreement as specified in the agreement made with the Customer, or in the applicable conditions. For entering into the Agreement, the Customer submits an application for opening the Account and registering as the Customer pursuant to the procedure specified on the Website.
- 1.1.13. **Bank** means AS LHV Pank, a company registered with the Commercial Register of the Republic of Estonia. Contact details of the Bank are available on the Website.
- 1.1.14. **Party** means the Bank as well as the Customer.
- 1.1.15. **Service** means a service rendered by the Bank to the Customer.
- 1.1.16. **Service Conditions** mean the conditions of the Service established by the Bank constituting a part of any Agreement concluded for provision of the respective Service.
- 1.1.17. **Strong Authentication** means the use of a minimum of two elements of knowing (something that only the Customer knows), holding (something that only the Customer holds) or attribution (something attributable to the Customer only), which are independent of each other (i.e. the breach of one element does not jeopardize the reliability of the second element) and the structure of which allows to protect confidentiality of authentication data.
- 1.1.18. **Security Elements** mean a unique username, PIN-calculator or other similar means given to the Customer pursuant to the procedure established by the Bank, with which the Customer can enter the Internet Bank or through which the Bank identifies the Customer.
- 1.1.19. **Website** means the Bank's website www.lhv.ee and its sub-pages.

1.1.20. **General Conditions** means these general terms and conditions of the Bank.

1.2. **Applicability of General Conditions**

1.2.1. The General Conditions establish the fundamentals of the Customer Relationships between the Bank and the Customer, the procedure for communication between the Bank and the Customer, the general conditions applicable upon entry into, amendment and termination of Agreements and upon exercising rights and performing duties between the Bank and the Customer in the framework of Agreements made.

1.2.2. The General Conditions are applicable to any and all Customer Relationships. In addition to the General Conditions, the following is applied to the Customer Relationships: legal acts of the Republic of Estonia, the Special Conditions and other conditions of the Agreements accepted by the Customer, the Price List, the principles of sound banking management, and the principle of good faith.

1.2.3. In the Customer Relationships the Parties follow the General Conditions insofar as these are not in conflict with the Service Conditions.

1.2.4. If the Special Conditions have been established by the Bank with regard to a legal relationship which has emerged or is about to emerge between the Bank and the Customer, the Service Conditions and the General Conditions are applied to such legal relationship with the specifications arising from the Special Conditions. In the event of a conflict between the Service Conditions and the Special Conditions, the provisions of the Special Conditions are applied.

1.2.5. The Parties adhere to the General Conditions, the Service Conditions, the Special Conditions and the Price List insofar as these are not in conflict with other terms and conditions of the Agreement.

1.2.6. The General Conditions, the Service Conditions, the Special Conditions and the Price List and be accessed in the Bank's service centres and on the Website.

1.2.7. The General Conditions, the Service Conditions and the Special Conditions are applicable to the Customer Relationships established prior to and continuing on the date of entry into force of the General Conditions or the respective Service Conditions or Special Conditions.

1.2.8. In case of contradictions between the Estonian and a foreign language version of the General Conditions, the Service Conditions or the Special Conditions, the Estonian text shall prevail.

1.3. **Establishment and Amendment of General Conditions, Service Conditions, Special Conditions and Price List**

1.3.1. The Bank establishes the General Conditions, the Service Conditions, the Special Conditions and the Price List.

1.3.2. The Bank has the right to unilaterally amend the General Conditions, the Service Conditions, the Special Conditions and the Price List. The Bank notifies the Customer of amendments to the General Conditions, the Service Conditions, the Special Conditions and the Price List in the Bank's service centres, on the Website or in another manner chosen by the Bank (e.g. by post or in a national daily newspaper) no less than 1 (one) month before the respective amendments enter into force, unless the Imperative Provisions require otherwise.

1.3.3. If the Customer does not agree with the amendments, he or she has the right to cancel the respective Agreement by notifying the Bank thereof in writing or in another manner accepted by the Bank and fulfilling any and all his or her duties arising from the Agreement within the time limit specified in Article 1.3.2 of the General Conditions.

1.3.4. The term of advance notification specified in Article 1.3.2 of the General Conditions is not applied if the amendment has been caused by a decrease in the price of the Services, by other terms and conditions of the Agreement becoming more favourable towards the Customer (incl. granting additional rights to the Customer) or by addition of new Services to the Price List.

1.3.5. Unless it is prohibited by the Imperative Provisions, the Bank has the right to unilaterally amend the Price List, the Service Conditions and the Special Conditions without giving advance notification. In such event the Bank immediately notifies the Customer of the amendments in its service centres, on the Website or in another manner (e.g. by post or in a national daily newspaper).

1.3.6. In the event specified in Article 1.3.5 the Customer has the right to immediately cancel the amended Agreement, by notifying the Bank thereof in writing or in another manner accepted by the Bank and fulfilling any and all their duties arising from the Agreement.

1.3.7. If the Customer does not exercise the right to cancel the Agreement specified in Articles 1.3.3 and 1.3.6 of the General Conditions it is deemed that the Customer consents to the amendments and does not have any claims against the Bank in connection with the amendments to the General Conditions, the Service Conditions, the Special Conditions and the Price List.

2. IDENTIFICATION AND REPRESENTATION

2.1. Identification

- 2.1.1. Upon the establishment of the Customer Relationship, including the entry into the Agreement and provision of the Service, the Bank is obligated to identify the Customer and his or her representative.
- 2.1.2. The Customer and his or her representative is obligated to submit to the Bank the data necessary for identifying them and the documents requested by the Bank.
- 2.1.3. Natural persons are identified on the basis of the identity documents complying with the legislation in force as determined by the Bank (e.g. a passport, Estonian identity card, Estonian driver's licence) and/or other documents requested by the Bank.
- 2.1.4. Estonian legal persons or branches of foreign companies registered in Estonia are identified on the basis of a printout of the respective registry data and/or other documents requested by the Bank.
- 2.1.5. A foreign legal person is identified on the basis of an extract of the respective foreign register or a registration certificate and/or on the basis of other documents requested by the Bank.
- 2.1.6. On the basis of the Agreement between the Bank and the Customer the Customer or his or her representative may be identified via technical communication channels accepted by the Bank, incl. using the Security Elements or a certificate which allows other digital identification complying with the Bank's requirements and is protected by a security code.

2.2. Representation

- 2.2.1. The Customer's money or other assets may be disposed of by a person other than the Customer whose right of representation is accepted by the Bank.
- 2.2.2. At the Bank's request the Customer who is a natural person is obligated to carry out a transaction personally and the Customer who is a legal person is obligated to carry out a transaction through its legal representative.
- 2.2.3. The Bank is not obligated to accept a document certifying the right of representation in which the right of representation has not been expressed clearly and unambiguously.
- 2.2.4. The document certifying the right of representation must be formalised in pursuant with the procedure stipulated in the legislation and in accordance with the Bank's requirements.
- 2.2.5. The Bank has the right to demand that the document certifying the right of representation which has been formalised outside the Bank, be notarised or certified equivalently.
- 2.2.6. The Customer is obligated to notify the Bank of annulment or invalidation of a notarised or certified power of attorney even if the respective notice has been published in an official publication.

2.3. Requirements for Documents

- 2.3.1. The Customer is obligated to submit to the Bank original documents or notarised or equally certified copies of the documents.
- 2.3.2. The Bank has the right to assume that the document submitted by the Customer is authentic, valid and correct.
- 2.3.3. The Bank has the right to demand that documents issued abroad are legalised or attested by the apostil, unless a treaty between the Republic of Estonia and the corresponding foreign country provides otherwise.
- 2.3.4. In the case of a non-Estonian language document the Bank has the right to demand that the document is translated into Estonian or into another language accepted by the Bank. At the Bank's request the respective translation must be certified by a notary public or, if applicable, by a sworn translator.
- 2.3.5. The costs related to bringing the documents in accordance with the Bank's requirements are borne by the Customer.
- 2.3.6. The Bank has the right to make a copy of the document submitted by the Customer or retain the original document, if possible.
- 2.3.7. If the Customer has submitted a document that is not in accordance with the Bank's requirements or the Bank has doubts about the correctness of the document, the Bank has the right to demand the submission of additional documents or not to execute the Customer's order.
- 2.3.8. The Bank has the right to consider the document certifying the Customer's right of representation valid for as long as the Bank has not received documents confirming amendment or expiry of the Customer's right of representation.

2.4. Signature

- 2.4.1. The Bank accepts the hand written signature by the Customer or his or her representative and, if available, the digital signature associated with the Estonian identity card.
- 2.4.2. The Bank and the Customer have agreed that as of the date specified by the Bank the Parties may start signing the documents in their mutual communication:
 - 2.4.2.1. with a digital signature other than the digital signature specified in Article 2.4.1, which certificate has been issued by a provider of certification services accepted by the Bank and which complies with the Bank's requirements;
 - 2.4.2.2. in events set out in the Agreement, through other ways of transmitting codes as specified in the Agreement.
- 2.4.3. The Bank has the right to demand that a signature is written in the Bank. If a signature cannot be written in the Bank, the Bank has the right to demand that the signature is notarised or certified equivalently.

3. BANKING SECRET AND PROCESSING CUSTOMER DATA

- 3.1. The Bank keeps the data constituting a banking secret confidential in accordance with conditions set in the legislation.
- 3.2. The Bank processes the Customer's data in accordance with the Principles of Processing Customer Data established by the Bank.
- 3.3. Upon addressing the Bank, the Customer consents to the rights of the Bank and other persons belonging to the Group which arise from Article 3 of the General Conditions and from the Principles of Processing Customer Data, and approves the processing of their data in accordance with Article 3 of the General Conditions and the Principles of Processing the Customer Data throughout the duration of the Customer Relationship. The Customer's approval specified in this Article is considered as repeated every time the Customer enters into the Agreement, gives the Bank an order, or makes another declaration of intention aimed at the Bank.**

4. BANK'S RIGHTS UPON PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING

- 4.1. To prevent money laundering and terrorist financing the Bank has the right to:
 - 4.1.1. regularly check the data serving as the basis for identification of the Customer and his or her representatives and to demand the submission of additional documents from the Customer;
 - 4.1.2. identify the Customer, the Customer's representative and/or the actual beneficiary at any time chosen by the Bank, incl. in cases the Bank has doubts about the information obtained in the course of initial identification;
 - 4.1.3. establish temporary or permanent restrictions on the use of the Services;
 - 4.1.4. demand documents and data about the Customer's activity, including data about the Customer's contractual partners, turnover, foreign payments, cash transactions and the share of cash transactions as well as data about the purpose and nature of the transaction and the origin of the Customer's assets;
 - 4.1.5. demand from the Customer the documents serving as the basis for the transactions (e.g. sales, rental and delivery contracts, documents pertaining to goods, etc.) as well as data or documents about the counterparty, the actual beneficiary or another person related to the transaction;
 - 4.1.6. demand from the Customer the submission of any other data or the performance of any other act the Bank considers necessary for the fulfilment of Banks' measures of prevention of money laundering and terrorist financing.
- 4.2. The Bank has the right not to execute the Customer's order if the Customer has not fulfilled the Bank's demands specified in Article 4.1 of the General Conditions.

5. ENTRY INTO AGREEMENTS

- 5.1. The Bank has the right to decide with whom to enter and with whom not to enter into the Agreement.
- 5.2. The Bank has the right to refuse to enter into a payment services agreement based upon a good reason. The Bank considers a good reason for refusing to enter into a payment services agreement, if first of all that person or a person connected to him or her:

- 5.2.1. does not meet the requirements set forth in law, General Conditions or applicable Service Conditions, or the contract terms and conditions required by that person do not meet those requirements;
- 5.2.2. has intentionally or due to severe negligence given the Group false or insufficient information or refuses to submit information;
- 5.2.3. has not, in spite of Group's request, submitted sufficient data or documents in order to be identified or for identification of the actual beneficiary or the submitted documents or data do not comply with the Group's requirements;
- 5.2.4. is in delay or has repeatedly been in delay in performing an obligation to the Group;
- 5.2.5. has caused direct or indirect losses or the threat of real losses to the Group or has harmed the reputation of the Group;
- 5.2.6. has not submitted sufficient data or documents for certifying the legality of the origin of his or her assets in spite of the Group's request or there is another reason for suspecting him or her of money laundering or terrorist financing;
- 5.2.7. is or has been associated, according to recognised and reliable sources (e.g. public authorities, international organisations, mass media) with organised crime, money laundering or terrorist financing;
- 5.2.8. is or has been associated with the traditional sources of income of organised crime, incl. illicit trafficking of excised goods or narcotic drugs, illegal arms trade or trafficking in persons, pimping, unlicensed international electronic money transfers;
- 5.2.9. is or has been a politically exposed person in a state where there is a high level of corruption according to the Bank's estimate;
- 5.2.10. is, according to the rules for prevention of money laundering and terrorist financing applied by the Bank, a person with a heightened risk or is engaged in a state or a field of activity of a heightened risk according to the Bank's estimate.
- 5.3. The Bank has the right to refuse to enter into a payment services agreement with other good reason, notably if a legal impediment such as limited active legal capacity, controversial rights of representation or absence of the rights of representation, or initiation of liquidation procedures or appointment of a temporary trustee in bankruptcy during the processing of a bankruptcy petition, hinders entry into the payment services agreement.
- 5.4. For the purposes of the General Conditions persons connected to a natural person include the following:
 - 5.4.1. natural and legal persons whose authorised representative the person is to the Bank's knowledge;
 - 5.4.2. legal persons whose supervisory board, management board or other directing body member the person is;
 - 5.4.3. legal persons 10% or more of whose shares or votes belong directly or indirectly to the person.
- 5.5. For the purposes of the General Conditions persons related to a legal person include the following:
 - 5.5.1. natural persons who are members of the supervisory board, management board or another directing body or authorised representatives of the legal person;
 - 5.5.2. legal persons 10% or more of whose shares or votes belong directly or indirectly to the person;
 - 5.5.3. natural or legal persons who directly or indirectly own 10% or more of the shares or votes in the legal person;
 - 5.5.4. natural or legal persons who can influence or who influence the legal person in another manner.
- 5.6. Agreements are concluded, depending on the preferences of the Bank, in writing, in a format which can be reproduced in writing or in electronic format (e.g. in the Internet Bank), unless a mandatory form has been prescribed by legislation.

6. EXCHANGE OF INFORMATION BETWEEN BANK AND CUSTOMER

6.1. Communication of Information by Bank

- 6.1.1. The Bank communicates information to the Customer (incl. declarations of intentions) in its service centres, on the Website, through the mass media or in another manner agreed (e.g. by e-mail, post or via the Internet Bank). If the Customer has notified the Bank of an e-mail address and/or has access to the Internet Bank, the Bank has, at its own discretion, the right to send all notices (incl. declarations of intentions) to the Customer by e-mail or make them accessible in the Internet Bank, unless the Imperative Provisions require otherwise.

- 6.1.2. Among other things, the Website discloses and makes available to the Customer an overview of the risks related to provision of the Service and a description of the measures applied for protection of the Customer's rights.
- 6.1.3. Personal notices sent to the Customer by the Bank are considered as received by the Customer when the period usually necessary for sending a notice through the corresponding means of communication has passed as of sending the notice to the Customer or to the person entitled to receive the notice on behalf of the Customer at the contact address or number known to the Bank.
- 6.1.4. If the Bank sends to the Customer a personal notice by disclosing it in the Internet Bank, the notice is deemed as received by the Customer on the date of disclosure of the notice.
- 6.1.5. If the respective information does not clearly state otherwise, the information given by the Bank to the Customer is not meant as an offer made by the Bank or as advice for entry into a transaction (incl. investment advice).
- 6.1.6. The Customer is obligated to immediately verify the correctness of the information included in the notice received from the Bank and lodge their objections with the Bank immediately after the receipt of the notice.
- 6.1.7. If the Customer has not received an expected notice from the Bank or the communication of which has been agreed in the Agreement, the Customer shall notify the Bank thereof immediately, but not later than within a reasonable time as of the day when the Customer could expect the notice or should have received the notice pursuant to the Agreement. It is presumed that the reasonable time for the purposes of this Article is 10 days.

6.2. Communication of Information by Customer

- 6.2.1. The Customer communicates information to the Bank on paper, by e-mail, via the Internet Bank or in a manner otherwise accepted by the Bank.
- 6.2.2. The Customer is obligated to notify the Bank in writing or in another manner agreed beforehand of any and all data and circumstances which have relevance in the communication between the Customer and the Bank and/or which influence or may influence the Customer Relationships, incl. of the following:
 - 6.2.2.1. changes in the Customer's name, address, number of the means of communication or in other contact details;
 - 6.2.2.2. changes relating to the data of the identity document of the Customer and/or the Customer's representative;
 - 6.2.2.3. loss or theft of the identity document or another identification tool (e.g. the Security Elements) or if the Customer otherwise loses possession thereof against his or her will;
 - 6.2.2.4. changes in the rights of the legal representative of the Customer and/or the person authorised by the Customer;
 - 6.2.2.5. reorganisation, merger, division, declaration of bankruptcy, liquidation or deletion from the register of the Customer who is a legal person;
 - 6.2.2.6. other information which the Customer is obligated to communicate to the Bank under the Agreement.
- 6.2.3. The notification obligation set out in Article 6.2.2 of the General Conditions is effective also if the respective information is available from a public register or has been published via the mass media or otherwise.
- 6.2.4. If the Customer has not fulfilled the notification obligation, the Bank has the right to presume the correctness and completeness of the information known to the Bank.

7. INFORMATION ABOUT ACCOUNTS AND TRANSACTIONS

- 7.1. The Customer has the right to obtain information about the balance and transactions of their account and other data related to the Account:
 - 7.1.1. upon request, in the Bank's service centres or in another manner agreed (e.g. via the Internet Bank);
 - 7.1.2. in Account statements at least once every calendar month, pursuant to the terms and conditions agreed on between the Bank and the Customer, taking into account the Imperative Provisions.
- 7.2. The Bank documents any and all Transactions executed on the Customer's account and preserves the data in accordance with legislation. The Customer has the right to demand that the Bank presents the documents related to the transactions executed by the Bank in accordance with the terms and conditions provided for in legislation.

8. CUSTOMER'S ORDERS

- 8.1. The Customer can give orders to the Bank and the Bank executes the orders in accordance with legislation and the terms and conditions of the Agreement. The Customer submits its orders to the Bank in writing or in another manner agreed between the Bank and the Customer and in the form developed by the Bank (e.g. the Internet Bank or e-mail). The forms of orders are available on the Website and in the service centres of the Bank. The Customer ensures that his or her orders are in accordance with applicable legislation, the terms and conditions of the Agreement and other relevant requirements, customs and practice.
- 8.2. The Bank has the right to refuse from accepting an order for execution and from providing the Service or to suspend execution of the order or provision of the Service if the Bank suspects that the person giving the order and wishing to use the Service is not authorised or the order does not comply with the terms and conditions of the Agreement. The Bank has the right to verify the orders given by the Customer via the Internet Bank or another means of communication in the matter chosen by the Bank. If the Bank cannot verify the order or the Customer does not confirm giving the order and/or the data contained therein upon verification, the Bank has the right not to execute such order. Unless otherwise provided by the Imperative Provisions, the Bank is not liable for the damage caused by refusal to accept the order and to provide the Service.
- 8.3. When the Services are used, the Bank has the right to record any and all orders given, and other communication taking place through telecommunication channels and other communication (incl. phone conversations) and if necessary use the respective recordings as evidence of the orders given by the Customer or other acts (incl. in legal proceedings).
- 8.4. The Bank accepts for execution only such orders of the Customer, which have been given in accordance with what has been agreed between the Customer and the Bank, formalised in accordance with the applicable standards of financial regulatory authorities and the instructions given and developed by the Bank, which do not contain any inaccurate, insufficient or incorrect data, and clearly express the will of the Customer.
- 8.5. When submitting any order the Customer shall be obliged to guarantee that in relevant circumstances it has all necessary consents, including consents given by the court.
- 8.6. Unless otherwise provided by the Imperative Provisions, the Bank is not liable for errors, inaccuracies, insufficient data, mistakes or transmission errors contained in the order given by the Customer to the Bank. The same applies to accidental repetition of the orders. In the case of ambiguities or unclarity the Bank has the right to demand the Customer of additional information and documents and to postpone the execution of the order until the receipt thereof and until the information contained therein has been verified or to refrain from executing the order.
- 8.7. The Customer is obligated to ensure a sufficient amount of funds on the Account for the execution of the order given to the Bank. If the funds on the Account are not sufficient for execution of the order, the Bank has the right not to execute the order. If the Bank executes the Customer's order, the execution of the order is not considered granting overdraft or a short position to the Customer or any other similar transaction and the Customer is obligated to immediately transfer to the Account the funds which should have been on the Account for the execution of the Order.
- 8.8. If the Bank has doubts about the legality of an order, it has the right to demand additional confirmation at the expense of the Customer, in the manner and form accepted by the Bank.
- 8.9. The Bank may deviate from the Customer's order if under the circumstances the Bank has reason to believe that the Customer would approve of its actions.
- 8.10. If an 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 order has been submitted to the Bank), the Bank has the right to determine the manner of performance of the order on the basis of the principles of sound banking management and other relevant customs or not to execute the order. Unless otherwise provided by the Imperative Provisions, the Bank is not liable for the order executed on the aforementioned grounds or for loss or damage arising from the non-execution of the order.
- 8.11. Upon receiving an order from the Customer the Bank has the right to ask the Customer for a documentary confirmation of the legal origin of the money or other assets used for the execution of the transaction and documents proving it. The Bank is not obligated to execute the order before receiving the respective confirmation and documents.
- 8.12. The Bank has the right to partially or fully assign the performance of its duty to a Third Party if it arises from the nature of the duty or is more economical for performance of the order, taking the Customer's interests into account.

- 8.13. Unless otherwise provided by the Imperative Provisions, the Bank is not liable for the deadlines or rules established by the Customer or a Third Party or for damage or loss caused by the Customer or a Third Party.
- 8.14. The Bank may refuse to execute an order related to another state (e.g. foreign currency, foreign beneficiary, foreign beneficiary's bank) or impose restrictions on the order if it arises from the demands of the public authorities or bank of the respective state.
- 8.15. The Bank has the right not to accept and/or execute the Customer's order if according to the Bank's estimate the Customer acts inadequately when giving the order or there is reason to believe that the Customer acts under the influence of alcoholic, psychotropic, narcotic or other substances which affect ordinary and reasonable behaviour or if the Bank has doubts about the Customer's active legal capacity and capacity to exercise will and/or the Customer's free will when giving the Bank the order.
- 8.16. The Customer has the duty to create any and all prerequisites and conditions necessary for execution of his or her order. If the Customer has not performed this duty, the Bank has the right not to execute the Customer's order. Unless otherwise provided by the Imperative Provisions, the Bank is not liable for the damage caused to the Customer and/or a Third Party by non-execution of the order in such circumstances.
- 8.17. The Bank executes the Customer's orders accepted for execution in the chronological order of their submission.
- 8.18. An order submitted to the Bank remains in force until execution of the order or until the Bank considers the order cancelled.
- 8.19. The Customer does not have the right to withdraw an order submitted to the Bank, which has been accepted for execution by the Bank. If the Bank, on the basis of a respective request by the Customer, cancels an order which has been accepted for execution, the Customer shall compensate the Bank for any and all costs and losses incurred and suffered in connection with assuming execution and/or cancellation of the order. The Bank has the right to refuse, at its own discretion, from cancellation of an order accepted for execution.
- 8.20. If the Bank has given to the Customer a term for elimination of a circumstance impeding the execution of an order and the Customer has not eliminated the circumstance during the term, the order is deemed cancelled. The Bank has the right to immediately cancel an order if, according to the Bank's reasonable estimate, the Customer cannot eliminate the circumstance serving as the basis for postponing the execution of the order.
- 8.21. The Bank notifies the Customer of a cancellation of an order.
- 8.22. The Customer warrants and represents they are aware of the following:
- 8.22.1. the Bank cannot fully guarantee the smooth operation of the information system used by the Bank and/or Third Parties for execution of orders or transactions, as a result of which the Bank cannot exclude possible delays in sending orders and/or executing transactions, and the Customer warrants and represents that upon sending orders he or she is aware of such risk and admits such possibility;
- 8.22.2. the Bank cannot fully exclude the possibility of Third persons interfering with the sending, executing, conducting or monitoring transactions or otherwise influencing the transactions against the will of the Customer and/or the Bank and the Customer agrees that this risk lies with the Customer.

9. TRANSFERS MADE BY MISTAKE

- 9.1. If money or other assets have been transferred to the Account erroneously or unduly, the Customer is obligated to notify the Bank immediately after detecting the wrong transfer and return the money or assets to the account specified by the Bank.
- 9.2. The Bank has the right, without asking the Customer's permission, to freeze and/or debit from the Account the money or other assets transferred to the Account erroneously or unduly. The Customer has no right to give orders with regard to the assets transferred to the Account erroneously.
- 9.3. If the Bank has made a mistake upon execution of the Customer's order in terms of the amount, description, reference number or other details of the payment or assets, the Bank has the right to debit the Account without the Customer's permission for the purpose of making a corrective transfer and execute the order in exact compliance with the details of the order.

- 9.4. If the Bank debits the Customer's Account unduly (among other things, deviates from the Customer's order without justification), the Bank is obligated to credit the Account to the extent of debiting at the latest on the Settlement Day after receiving the Customer's notification.
- 9.5. The Customer is obligated to count the amounts payable to the Account in cash before payment and the amounts paid out from the Account upon receipt and make their complaints right away and on the spot.

10. RESTRICTIONS ON DISPOSAL OF ACCOUNT

10.1. Freezing

- 10.1.1. Freezing is an action, as a result of which the Customer's right, on the initiative of the Bank or the Customer, to make all or some transactions or other operations has been suspended.
- 10.1.2. The Customer is obligated to give the freezing order to the Bank in writing in a service centre of the Bank or in another manner agreed between the Bank and the Customer.
- 10.1.3. If the freezing order is given orally, the Bank has the right to ask questions about the Customer requesting the freezing on the basis of the information kept in the database in order to identify the person. If the Bank has doubts about the identity of the person, the Bank has the right not to freeze the Account or the Service. Unless otherwise provided by the Imperative Provisions, the Bank is not liable for any damage or loss caused by not freezing the Account or the Service.
- 10.1.4. The Bank has the right to block the Account and/or the Service if:
- 10.1.4.1. there is not enough money or other assets on the Customer's account to satisfy the claims that the Bank or a person belonging to the Group has against the Customer;
 - 10.1.4.2. the Bank suspects the Customer of money laundering, terrorist financing or another crime (e.g. fraudulent conduct) or of aiding it;
 - 10.1.4.3. the Bank suspects that the assets on the Customer's Account have been received as a result of a crime or if the Bank learns of circumstances as a result of which it is necessary to identify the legal origin of the Customer's money or assets;
 - 10.1.4.4. if the Customer or the Customer's representative does not submit the documents required by the Bank for identification of the rights of representation;
 - 10.1.4.5. the Bank has been presented with controversial information about the persons having the right of representation or with documents about the authenticity thereof the Bank has doubts;
 - 10.1.4.6. the Customer has not submitted the documents requested by the Bank;
 - 10.1.4.7. freezing is necessary according to the Bank's estimation for prevention of damage and loss to the Bank, the Customer or a Third Party;
 - 10.1.4.8. the Account has been fully or partially seized;
 - 10.1.4.9. if information regarding Customer's death certified by written documents has been submitted to the Bank or if the Bank has reason to believe that the Customer or the Customer's representative is dead;
 - 10.1.4.10. if the details of the communication data submitted by the Customer to the Bank (telephone numbers, e-mail addresses, postal addresses, etc.) and/or the address of the place of residence/seat and/or other details concerning the Customer's (business) activities prove to be incorrect and the Customer cannot be contacted via any means of communication last made known to the Bank.
- 10.1.5. The Bank unfreezes the Account or the Service initiated by the Bank as soon as the reason for freezing has been eliminated.
- 10.1.6. Unless otherwise provided by the Imperative Provisions, the Bank is not liable for any damage or loss caused by freezing the Account or the Service.

10.2. Seizure of Account

- 10.2.1. The Bank seizes the Account upon the request of a Third Party only in the events and pursuant to the procedure provided by legislation (e.g. on the initiative of the tax authority or a bailiff).
- 10.2.2. The Bank releases the Account from seizure on the basis of a decision of the body who made the seizure decision, ruling or precept or a court judgment which has entered into force or on the basis other events provided by legislation.

10.3. Succession

- 10.3.1. The Bank makes payments from the Account of a dead Customer only on the basis of the succession certificate and/or ownership certificate or on the basis of other documents arising from law or on the basis of a respective court judgment.

10.4. Information System Maintenance and Development

- 10.4.1. The Bank has the right to carry out planned maintenance and development of the information system. If possible, the Bank carries out planned maintenance and development work during night time.
- 10.4.2. Upon the emergence of extraordinary circumstances the Bank has the right to carry out extraordinary maintenance or development in order to prevent greater damage and loss.
- 10.4.3. The performance of the Bank's duties arising from the Agreement is considered as suspended before the Customer for the period of maintenance and development. Unless otherwise provided by the Imperative Provisions, the Bank is not obligated to compensate the Customer for the damage arising from failure to perform the duties arising from the Agreement due to maintenance or development.

11. SERVICE FEES, ARREARS AND BANK'S CLAIMS

- 11.1. The Bank shall have the right to receive and the Customer is obligated to pay for the rendered Service a fee established in the Price List and/or the Agreement.
- 11.2. In addition to the items specified in the Price List and the Agreement, the Customer bears the Bank's costs, which arise from the acts performed in the interest of the Customer (e.g. communication or postal costs, notary fees, etc.) and the costs related to the Customer Relationships (e.g. costs of establishment, management and realisation of collateral, insurance or legal expenses, etc.).
- 11.3. The Customer pays for the Services not specified in the Price List according to the actual costs of the Bank. In such an event, the Customer has the right to request that the Bank presents an invoice.
- 11.4. If possible, the Bank may present a service fee invoice to the Customer electronically (incl. via the Internet Bank).
- 11.5. If the Customer fails to perform his or her duty to the Bank, the Customer shall pay the Bank the default interest and/or the contractual penalty prescribed in the Price List or in the Agreement.
- 11.6. The Customer is obligated to keep a sufficient amount of money on the Account so that the Bank can debit the Account all service fees and other sums and arrears payable.
- 11.7. The service fees and other sums and arrears payable are debited by the Bank from the Account with which the service fees and other sums and arrears are related to, unless agreed otherwise by the Parties.
- 11.8. If there is not enough money on the Account designated for the payment of a service fee or another amounts and arrears payable, the Bank has the right to debit the service fees and other amounts and arrears payable from any Account, including from any foreign currency kept on the Account and from any amounts accruing to the Account at any time even if after the amounts have become collectible and before they are actually withheld by the Bank the Customer has given other orders with regard to the amounts.
- 11.9. The Bank debits the service fees and other amounts payable in euros and, upon absence thereof, in another currency. Service fees calculated in another currency and other amounts payable are converted into euros at an exchange rate established by the Bank.
- 11.10. The Bank withholds arrears in the currency in which they emerged. If there is no such currency on the Account the Bank converts the required amount from another currency available on the Account at the exchange rate established by the Bank.
- 11.11. If the money available on the Account is not sufficient for withholding all the service fees, other amounts payable and arrears, the Bank determines the order of performance of the obligations.
- 11.12. The Customer receives information regarding the deducted service fees; and the amounts and arrears withheld according to the Agreement or the Price List from the Account statement.
- 11.13. If a new currency is introduced instead of the former currency of the Customer Relationship, the Bank has the right to unilaterally change the currency of the Customer Relationship and to convert financial obligations into the new currency on the basis of the official exchange rate of the currency.

- 11.14. Unless otherwise provided by the Imperative Provisions, the Bank has the right to set off its claims against the Customer's claims and thereby determine the claims to be set off.
- 11.15. Unless otherwise provided by the Imperative Provisions, the Bank has the right to assign to a Third Party its claims against the Customer.

12. INTEREST

- 12.1. The Bank calculates the interest on the basis of a rate established for the Service in the Price List or the Agreement.
- 12.2. Unless otherwise provided by the Imperative Provisions or the Agreement, the Bank has the right to unilaterally change the interest rate and the procedure for calculation of interest.
- 12.3. The interest is calculated and paid or debited pursuant to the Service Conditions.
- 12.4. If income tax has to be paid on interest pursuant to law, the Bank withholds income tax on the interest paid on the bases and pursuant to the procedure provided by law. At the Customer's request the Bank issues a certificate on the income tax withheld on the interest amount.

13. LIABILITY

- 13.1. The Bank and the Customer perform their obligations arising from the Customer Relationships duly, reasonably, in good faith, with due diligence and pursuant to the customs and practice.
- 13.2. The Parties are not liable for failure to perform a duty if it has been caused by Force majeure which the Party who breached the duty could not control and it could not be reasonably expected from the Party to preclude it from happening.
- 13.3. Unless otherwise provided by the Imperative Provisions:
 - 13.3.1. the Bank does not provide any tax or legal advice services to the Customer, unless it has been specifically agreed upon in a particular Agreement;
 - 13.3.2. the Bank is liable only for an intentional breach of the Bank's duty arising from the Agreement or a breach of the Agreement caused by severe negligence;
 - 13.3.3. the Bank is not liable for the Services provided or information communicated by Third Parties via the Bank or for any other acts or omissions of Third Parties, incl. for performance of any duties by Third Parties or damage and losses arising from bankruptcy or insolvency;
 - 13.3.4. the Bank is not liable for indirect damage or loss caused to the Customer or loss of profit;
 - 13.3.5. the Bank is not liable for damage or loss caused to the Customer or a Third Party directly or indirectly by the failure to perform or unsatisfactory performance of the notification obligation specified in Article 6.2.2 of the General Conditions by the Customer;
 - 13.3.6. the Bank is not liable for the damage or loss caused by the change of currency or security rates or other investment risks;
 - 13.3.7. the Bank is not liable for the damage or loss arising from the Bank's unawareness of the absence of the passive legal capacity of a legal person or the absence of the active legal capacity or the capacity to exercise will of a natural person;
 - 13.3.8. if according to the terms and conditions of the Agreement the Bank has the right to refuse to enter into a transaction or to refrain from executing the Customer's order, freeze the Account or terminate the Agreement, the Bank shall not be liable for the damage or loss of the Customer or a Third Party arising from such circumstances.
- 13.4. The Customer undertakes to compensate the Bank for any damage, including loss of profit, expenses incurred, penalties or revenue paid to Third Parties, which arises from infringement of the Agreement, legislation (including foreign legislation), stock exchange or securities register rules or a decision of another relevant competent body or from incomplete, misleading or false warranties and representations or information given by the Customer to the Bank.
- 13.5. If an unauthorized payment within the meaning of the Estonian Law of Obligations Act has been made by using lost or stolen Security Elements, as well as in cases where Security Elements have been used in some other unjustified manner and the Customer has not handled the Security Elements as required, and there are no preclusions of liability set forth in law, the Customer shall be liable in the amount that corresponds to 50 euros. That limitation in the amount does not apply, and the Customer shall bear the entire damage caused by unauthorized payment transactions, if the unauthorized payment is related to fraud on part of the Customer or if the Customer intentionally or with gross negligence has breached:

- 13.5.1. its obligation to use Security Elements pursuant to their conditions of issue and use, including the obligation to do all things necessary to keep Security Elements and their aid utilities safe as of the time Security Elements were received;
- 13.5.2. its obligation to inform the Bank or a third party that the Customer has been let known by the Bank for that purpose, about the loss or theft of the Security Element and the unauthorized or wrong use of the Security Element, immediately after the Customer has learned about such an incident;
- 13.5.3. one or more conditions of issue and use of the Security Elements.
- 13.6. The Customer shall not be held liable under Article 13.5, if:
 - 13.6.1. prior to effecting the payment, the Customer was not aware of the loss, theft or misuse, except if the Customer committed a fraud, or
 - 13.6.2. the damage has been caused after fulfilment of the notification obligation set forth in Article 13.5.2 of the Conditions, or
 - 13.6.3. the unauthorized Payment Transaction was effected without the Customer's Strong Authentication, except if the Customer committed a fraud, or
 - 13.6.4. the damage caused by the unauthorized Payment Transaction can be attributed to the actions or failure to act of a Bank's employee, agent, branch or unit to whom the Bank's operations were delegated.
- 13.7. The limitations or preclusions of liability set forth in Articles 13.5 and 13.6 shall not be applied in respect of legal persons.
- 13.8. Termination of the Customer Relationship does not terminate the Customer's duty to compensate the Bank for the damage and loss caused.

14. CANCELLATION OF AGREEMENT

- 14.1. The Bank has the right to unilaterally cancel the Agreement with good reason (extraordinary cancellation).
- 14.2. A good reason means, first of all, the following:
 - 14.2.1. the Customer or a person related to the Customer has breached a duty, provided that accurate performance of such duty is the prerequisite for the Bank's interest in the continued performance of the Agreement. Such duties include, first and foremost, the following:
 - 14.2.1.1. giving correct, complete and truthful information to the Bank upon identification;
 - 14.2.1.2. notifying the Bank of changes in the data contained in all Agreements or the documents submitted to the Bank;
 - 14.2.1.3. submission of sufficient information and documents verifying the legality of one's economic activities, money or other assets, as well as other obligatory information and documents enabling the Bank to adhere to its diligence measures, at the Bank's request;
 - 14.2.1.4. submission of actual information about one's financial situation provided that such information is of significant importance to the Bank for making credit decisions or other operations;
 - 14.2.1.5. the duty to inform the Bank of deterioration of the Customer's financial situation or other circumstances which may influence the Customer's ability to duly perform his or her duties before the Bank.
 - 14.2.2. the Bank suspects the Customer or a person related to the Customer of money laundering or terrorist financing;
 - 14.2.3. the circumstances specified in Articles 5.2.7 to 5.2.10 of the General Conditions become known with regard to the Customer or a person related to the Customer;
 - 14.2.4. the Customer has intentionally or due to severe negligence failed to perform his or her duty which arises from the payment services agreement or another agreement concluded with the Group;
 - 14.2.5. the Customer or a person related to the Customer has intentionally or due to severe negligence caused damage or loss or a real threat of damage or loss to the Group by his or her acts or failure to act;
 - 14.2.6. the Customer or a person related to the Customer has failed to perform his or her duty, which arises from any agreement concluded with the Group and this fact constitutes a good reason for the Bank to assume that the Customer or a person related to the Customer will not perform his or her contractual duties in the future (e.g. the Customer or a person related to the Customer has repeatedly failed to perform his or her financial duties);

- 14.2.7. an event has occurred which, according to the bank's reasoned opinion, may:
 - 14.2.7.1. prevent the Customer's ability to duly perform its duties arising from the Agreement, or
 - 14.2.7.2. have substantial influence on the Customer's business or financial situation (e.g. the Customer's bankruptcy, compulsory dissolution or liquidation proceedings);
- 14.2.8. the Customer has deceased;
- 14.2.9. there is not enough money on the Account for performance of the obligations arising from the Customer's Agreements (incl. payment of service fees) and the Customer has not transferred a sufficient amount of money to the Account for that purpose within 15 (fifteen) days after receiving the respective notice from the Bank;
- 14.2.10. termination of the Agreement is demanded by an Estonian or foreign supervision authority (e.g. the Estonian Financial Supervision Authority) or another governmental authority;
- 14.2.11. termination of the Agreement is demanded by the manager of an international settlement system (e.g. an international card organisation), the Bank's correspondent bank or another bank;
- 14.2.12. the Customer demands that the processing of his or her personal data is stopped or restricts it and according to the Bank's estimate the precondition for providing the Service to the Customer is the Bank's right to process the Customer's personal data in accordance with the General Conditions and/or the Principles of Processing Customer Data;
- 14.2.13. the payment services agreement concluded between the Customer and the Bank terminates.
- 14.3. Before extraordinary cancellation of the Agreement the Bank thoroughly weighs any and all circumstances and makes a decision on the basis of the principle of reasonableness.
- 14.4. Unless otherwise provided by the Imperative Provisions or the Agreement, the Party has the right to terminate the Agreement by notifying the other Party thereof not later than 1 (one) month in advance.

15. RESOLUTION OF DISPUTES

- 15.1. Any disputes between the Parties are subject to resolution by way of negotiations between the Parties.
- 15.2. Failing immediate agreement on the spot, the complaint shall be filed in writing or in another agreed manner.
- 15.3. The complaint shall refer to the circumstances and the documents on the basis of which the complaint is filed. If the Customer refers in the complaint to the document that is not freely accessible to the Bank, the document has to be enclosed with the complaint.
- 15.4. The Bank reviews the complaint and notifies its decision at the agreed time and in the agreed manner (e.g. orally, in writing).
- 15.5. If the Parties fail to come to an agreement, the dispute is resolved by the committee of consumer complaints of the Consumer Protection Board or a court.
- 15.6. Any court dispute between the Parties is resolved in a court of the location of the Bank unless agreed otherwise by the Parties or otherwise provided by the Imperative Provisions.
- 15.7. The Customer Relationship between the Parties is governed by Estonian law unless agreed otherwise by the Parties.
- 15.8. The Financial Supervision Authority exercises supervision over the Bank. The contact details of the Financial Supervision Authority and the list of the subjects of financial supervision, in which also the Bank is included, are available on the Financial Supervision Authority's website www.fi.ee.