

DEPOSIT AGREEMENT TERMS AND CONDITIONS

1. TERMS AND ABBREVIATIONS USED IN THE TERMS AND CONDITIONS

The Bank – JSC AS "Latvijas Biznesa banka", reg. No. 40003076407

The Client – a private person or a legal entity that deposits money with the Bank according to the terms of this agreement

The Parties – both, the Bank and the Client

The Agreement – an agreement concluded between the Parties on acceptance and servicing of the Deposit

The Terms and Conditions – terms and conditions of the Agreement approved by the Bank's Board decision; the Terms and Conditions regulate the acceptance, servicing and termination procedures of Deposits with the Bank. The Terms and Conditions are an inalienable part of the Agreement

The Deposit – a deposit of the Client's money in the Account

The Account – an account opened by the Bank for the Client on basis of the Agreement for placing the Client's Deposit according to the Terms and Conditions

Savings Account – the Client's Deposit in the Account for an indefinite period of time with the possibility to increase the Deposit without any limitations and withdraw it, whereof interest is calculated according to the Banking Fees

Ordinary Deposit – the Client's Deposit in the Account for a definite period of time with the amount of the Deposit set in the Agreement and Deposit interest rate indicated in the Agreement. Ordinary Term Deposit may not be increased

Open Deposit – the Client's Deposit in the Account for a definite period of time with a Deposit interest rate set in the Agreement and a set minimum Deposit amount and possibility to increase the Deposit without any limitations

Maturity Deposit – a Deposit of a private person, who has not reached 17 years as of the day the Agreement is concluded, and represented in relations with the Bank by a guardian, in the Account for a period of time set in the Agreement until the 18th birthday of the Client with the possibility to increase the Deposit, for which interest is calculated according to the Banking Fees

Deposit Interest – Interest calculated for the Deposit, the amount and payment procedure of which is set in the Agreement. Deposit Interest for Ordinary deposit, Open deposit and Maturity deposit shall be calculated based on assumption that a year has 360 days and a month - 30 days

Deposit Beginning Date – the date that conforms to the beginning date of the Deposit indicated in the Agreement

Deposit Acceptance Date – the date on which the Deposit has been paid to the Account in full

Deposit Termination Date – the date that conforms to the termination date of the Deposit indicated in the Agreement or the last day of the Agreement, if the Agreement was concluded for an indefinite period of time

The Banking Fees – the effective Banking Fees of the Bank

Current Account – an account with the Bank indicated by the Client in the Agreement, to which the Client transfers the Deposit and to which the Bank transfers Deposit Interest and the Deposit

Instruction – the Client's instruction to the Bank on withdrawal of the Deposit or a part of it, on the basis of which the Bank pays out the Deposit or its part to the Client according to procedure described in the Terms and Conditions and the Banking Fees, or on termination of the Agreement

Previous Notice Term – previous notice term indicated in the Banking Fees, the Client has to observe when submitting an Instruction to the Bank

LR – the Republic of Latvia

2. GENERAL TERMS

- 2.1. Relationships between the Parties not described in these Terms and Conditions and in the Agreement shall be regulated by the General Client Servicing Rules and the regulating rules of the respective services of the Bank and the effective normative acts of the Republic of Latvia.
- 2.2. The Bank is entitled to make changes to the Banking Fees and the Terms and Conditions unilaterally any time as far as such changes affect the terms of servicing and use of the appropriate Deposit Type with the Bank. The Bank announces such changes by means of a corresponding notice placed at the Bank's premises and on the Bank's home page in Internet: www.lbb.lv 15 (fifteen) calendar days before their effective date. The Client is entitled and it is his duty to acquaint himself with such changes. The Banking Fees and information about changes in the Terms and Conditions is available at the Bank's premises during the Bank's working hours and on the Bank's home page in Internet www.lbb.lv
- 2.3. If until the effective date of such changes the Client has not submitted Instruction to the Bank, the Parties shall assume that the Client has accepted such changes.
- 2.4. If operations with the Account have been restricted or prohibited, the Bank shall calculate Deposit Interest until Deposit Termination Date, but, if the Deposit is subject to collection, until the day of collection.
- 2.5. The Bank shall bear no responsibility for mistakes, inaccuracies and other shortcomings, resulting from the Client submitting partially or erroneously completed documents and Instructions.
- 2.6. Special terms of the Agreement may differ from the Terms and Condition and special terms shall be ruling.
- 2.7. The Bank shall not accept money acquired as a result of crime or if the Bank becomes suspicious that the funds could be related to an attempt of laundering of proceeds from crime. If such funds have already been deposited and the Bank only afterwards discovers that these funds wake suspicion about laundering or an attempt of laundering of proceeds from crime, the Bank shall be entitled to terminate this Agreement unilaterally and undertake other measures provided for in the Law On the Prevention of Laundering of Proceeds Derived from Criminal Activity and Terrorism Financing.
- 2.8. The Agreement shall be effective from the moment, it has been signed by the Parties and shall be effective until Deposit Termination Date. The Agreement is drawn up and signed in two identical copies, one copy for each Party.
- 2.9. If the Client has no Current Account with the Bank, it shall be opened along with the Account. An individual Account shall be opened for each Deposit in the indicated currency.
- 2.10. The Client can place the Deposit only in the currency of the opened Account, making cash payment to the Current Account with the Bank indicated in the Agreement, or he can make a transfer of funds to Current Account or the Account with the Bank indicated in the Agreement. If the Client supplements the Deposit in a currency different from the Account currency, the Bank shall exchange money into currency of the Account according to the Bank's currency exchange rate on the day supplementation is made.
- 2.11. The calculated Deposit Interest can be added to the Deposit, if this is provided for in the Agreement. In that case further Deposit Interest shall be calculated for the total amount, which consists of the Deposit Amount and Deposit Interest for the previous interest calculation periods.
- 2.12. The Deposit shall be transferred to the Client's Current Account on Deposit Termination Date.
- 2.13. If the Deposit the Client has placed in form of a transfer is paid out in cash, the Client shall be charged fee for cash withdrawal according to the Banking Fees.
- 2.14. The Bank is entitled to terminate the Agreement early with a notice to the Client. If the Agreement is terminated early at the Bank's initiative, Deposit Interest shall be paid for the actual time of Deposit placement, which does not extend over the termination date.
- 2.15. An Instruction presented to the Bank after the end of the Bank's working hours shall be considered submitted on the next working day of the Bank.
- 2.16. If the next month does not have Deposit Interest payment date, Deposit Interest shall be paid on the last calendar day of the month.
- 2.17. The Bank is entitled to terminate the Agreement unilaterally and close the Account before Deposit Termination Date without previous notice to the Client:
- 2.17.1. if the Client's money is subject to collection according to the effective normative acts of LR – from the day collection is accomplished;
- 2.17.2. if the Client for more than 6 (six) months has accomplished no transactions in Savings Account and the Account balance is equal to zero;
- 2.17.3. if the Client has not paid in Ordinary Deposit, Open Deposit or Maturity Deposit or has paid it only partially until the term indicated in the Terms and Conditions – until 6th (sixth) working day of the Bank from the Agreement beginning date.
- 2.18. Bank has a right to withhold taxes from Deposit Interest according to normative acts of LR.
- 2.19. If the Bank uses the Deposit for fulfillment of the Client's liabilities against the Bank or if the Client's money is subject to collection according to the effective normative acts of LR, the early repayment terms of the respective Deposit shall apply.

3. SAVINGS ACCOUNT TERMS

- 3.1. **Payment of Deposit**
The Client is allowed to increase the balance of his Savings Account without any restrictions by making cash payment or a transfer to the Account.
- 3.2. **Deposit Interest**
 - 3.2.1. Deposit Interest is calculated for the balance of the Deposit and the calculated Deposit Interest in the Account at the end of the each day according to the Banking Fees, if the Account balance amounts to at least the minimum Deposit indicated in the Banking Fees.
 - 3.2.2. The calculated Deposit Interest shall be added to the Account balance or transferred to the Client's Current Account each month on the Agreement beginning date according to the Agreement Savings Account interest payment terms.
- 3.3. **Deposit Repayment**

- 3.3.1. The Bank pays out the Deposit on basis of Instruction, if the Account shows sufficient balance of money and the Account activities are not restricted. If the Client fails to comply with the Previous Notice Term, when submitting to the Bank an Instruction on repayment of the Deposit, the Bank shall have the right to withhold from the amount of the Deposit payable a penalty according to the Banking Fees.
- 3.3.2. From the day Instruction was submitted Deposit Interest shall not be calculated for the amount payable indicated in Instruction. The Deposit or part of it destined for withdrawal shall be transferred to the Client's Current Account indicated in the Agreement.

3.4. Termination of the Agreement

The Client shall have the right to terminate the Agreement any time submitting an Instruction to the Bank. The Agreement shall be terminated when termination of the Agreement has been announced and the Account shall be closed on the day the Deposit has been paid out in full according to the Article 3.3. of the Terms and Conditions.

4. ORDINARY OR OPEN DEPOSIT TERMS

4.1. Payment of Deposit

4.1.1. The Client is responsible for paying Deposit Amount indicated in the Agreement in full to the Account or Current Account in course of 5 (five) banking days from Agreement beginning date, otherwise the Agreement shall be considered void and the amount of money already transferred shall be transferred to the Client's Current Account with the Bank.

4.1.2. The Bank shall transfer the Deposit from the Client's Current Account to the Client's Account without the Client's acceptance.

4.1.3. In case the Client transfers Deposit amount, which exceeds the amount indicated in the Ordinary Deposit Agreement, the difference shall be transferred to the Client's Current Account with the Bank.

4.2. Supplementation of the Open Deposit

The Open Deposit can be increased without any restrictions by making cash payment or a transfer to the Account.

4.3. Deposit Interest

Deposit Interest for the effective Agreements cannot be changed. Deposit Interest shall be calculated starting from Deposit Acceptance Date (included) until Deposit Termination Date (not included).

Deposit Interest calculated according to the Agreement shall be transferred to the Client's Current Account on the Deposit Termination Date or each month on the Agreement beginning date.

4.4. Deposit Repayment

The Deposit shall be paid out to the Client on the Deposit Termination Date, if the Agreement is effective as of the Deposit repayment date and Account activities are not restricted. The Bank shall transfer the Deposit and Deposit Interest to the Current Account indicated in the Agreement.

4.5. Early Termination of the Agreement

4.5.1. The Client shall have the right to terminate the Agreement any time during the validity term of the Agreement.

4.5.2. The Agreement shall be terminated according to the Agreement section "Early Repayment Terms of Deposit". In such case the Bank shall be entitled to withhold penalty from the Client and keep the calculated Deposit Interest and withhold from the Deposit the already paid Deposit Interest before repayment of the Deposit.

4.5.3. The Client shall be entitled to withdraw only the full amount of Deposit before the end of Deposit Term according to the Terms and Conditions after submitting Instruction to the Bank.

4.5.4. If the Client has secured fulfillment of his or a third party's liabilities against the Bank, the Agreement shall not be terminated before fulfillment of liabilities in full, if the Parties have not agreed about another collateral of fulfillment of liabilities.

4.6. Automatic Extension of the Agreement

The Client shall have the right to choose the possibility to extend the Agreement indicating that in the Agreement.

4.6.1. If the Client has indicated both conditions for automatic extension of the Agreement: the minimum Deposit interest rate and term of extension, the Agreement shall be extended for the term of extension indicated by the Client, if it corresponds to any of Deposit terms indicated in the Banking Fees, applying the respective Deposit interest rate indicated in the Banking Fees and, if it is not lower than the minimum Deposit interest rate indicated by the Client. If the minimum Deposit interest rate indicated by the Client is higher than Deposit interest rate indicated in the Banking Fees and/or term of extension does not correspond to any of Deposit terms indicated in the Banking Fees, the Agreement shall not be extended.

4.6.2. If the Client has failed to provide any condition for automatic extension of the Agreement, the Agreement shall not be extended.

4.6.3. If the Client has indicated only the term of the extension, the Agreement shall be extended for the term of extension indicated by the Client, if it corresponds to any of Deposit terms indicated in the Banking Fees, applying the respective Deposit interest rate indicated in the Banking Fees. Otherwise the Agreement shall not be extended.

4.6.4. If the Client has indicated only the minimum Deposit interest rate, the Agreement shall be extended for the previous term of Deposit, if it corresponds to any of Deposit terms indicated in the Banking Fees, applying the respective Deposit interest rate indicated in the Banking Fees, if it is not lower than the minimum Deposit interest rate indicated by the Client.

If the minimum Deposit interest rate indicated by the Client is higher than Deposit interest rate indicated in the Banking Fees and/or the previous term of Deposit does not correspond to any of Deposit terms indicated in the Banking Fees, the Agreement shall not be extended.

4.6.5. The Client is entitled to change both conditions for automatic extension of the Agreement indicated in the Agreement, submitting a written notice to the Bank at least one working day before the Deposit Termination Date. If the Client has missed the mentioned notice term the effective working day of the Agreement shall be valid.

4.6.6. If the Client choosing the automatic extension possibility of the Agreement has indicated the term of the extension, the Agreement can be extended only once. If the Client has not indicated the term of the extension, the Agreement can be extended over and over according to the aforementioned automatic extension rules of the Agreement.

4.6.7. The Client is responsible for keeping himself track of automatic extension of the Agreement or failure of it.

4.6.8. The calculated, but unpaid Deposit Interest shall be transferred to the Client's Current Account in case of automatic extension of the Agreement. The Deposit shall be transferred to the Client's Current Account on the new Deposit Termination Date.

5. MATURITY DEPOSIT TERMS

5.1. Payment of Deposit

The amount of Deposit indicated in the Agreement, which shall amount to at least the minimum amount indicated in the Banking Fees, shall be paid to the Account in course of 5 (five) working days of the Bank from the Agreement beginning date. During the Agreement term the Deposit can be increased without any limitations.

5.2. Supplementation of the Maturity Deposit

Maturity Deposit can be increased by any adult person without any limitations by making cash payment or a transfer to the Account.

5.3. Deposit Interest

Deposit Interest is calculated for the balance of the Deposit in the Account at the end of the each day according to Deposit interest rate indicated in the Banking Fees, starting from the Deposit Acceptance Date. The Bank is entitled to change Deposit interest rate twice a year. The Bank shall add the calculated Deposit Interest to the Deposit twice a year at the end of each calendar half-year.

5.4. Deposit Repayment

The Deposit and the Deposit Interest shall be paid out to the Client on the Agreement termination date to the Current Account indicated in the Agreement, if the Agreement is effective as of the Deposit repayment date and Account activities are not restricted.

5.5. Early Termination of the Agreement

5.5.1. The Client's guardian shall have the right to terminate the Agreement any time during the validity term of the Agreement complying with the following terms. In case of early termination of the Agreement the Client's guardian shall submit to the Bank LR Family Court verdict and the Agreement shall be terminated after submission of the necessary documents to the Bank.

5.5.2. If the Deposit is withdrawn before the Deposit Termination Date, the Bank shall be entitled to keep the Deposit Interest calculated for the last 6 (six) months and withhold from the Deposit amount the already paid Deposit Interest for the last 6 (six) months.

6. PROCEDURE FOR CONSIDERATION OF DISPUTES

6.1. Any dispute arising from the present contract shall be transferred for reviewing by a court of the Republic of Latvia according to its competence or to the Arbitration Court of Association of Latvian Commercial Banks in Riga pursuant to Bylaws, regulations and rules „On Expenditures of Arbitration Court of Association of Latvian Commercial Banks” of the Arbitration Court. Terms and provisions of these documents shall be deemed included in the present Article. Number of arbitrators shall be one, and the chairman of the arbitration court shall appoint the arbitrator. Language for settling dispute shall be Latvian or Russian. Reviewing the dispute on the basis of submitted documents shall be possible also without mandatory participation of Parties in the arbitration procedure.