

CLIENT SERVICE GENERAL TERMS AND CONDITIONS

APPROVED

JSC AS "Latvijas Biznesa banka"
17 May, 2010
(effective from 01.06.2010.)
Board decision No 16

Terms used in these Terms and Conditions

Bank	JSC AS "Latvijas Biznesa banka", single registration No 40003076407, legal address 3 Antonijas street, Riga, LV-1010, Bank's web page: www.lbb.lv , e-mail: info@lbb.lv . Supervision of the Bank's activities is performed by the Financial and Capital Market Commission;
Banking Services	Within the meaning of the Credit Institutions Law (Article 1 Clause 4) Banking operations and transactions as well as within the meaning of the terms "investment services" and "ancillary (non-core) investment services" used in the Financial Instruments Market Law (Article 3 Clause 4), and other services the Parties agree upon;
Client	a legal entity or a natural person, who uses Banking Services and/or acts as the Payer or the Beneficiary;
Authorized Person	a natural person whose authorization (and its scope) to act in the name of the Client is indicated in a proper power of attorney according to the Bank's requirements, or the Client's lawful representative;
Client's Data	Client's, the Client's representative's, natural person's data, which have become known to the Bank when providing the Banking services;
Credit Transfer	transfer of money started by the Payer to the Beneficiary's account with the Bank or another institution according to definition provided in the Payment Services Law;
Account Statement	a document that confirms banking transactions accomplished with the account and balance of funds, prepared according to the Account Statement Preparation instructions published by the Bank of Latvia;
Parties	both, Bank and Client,
Payer	Client who instructs the Bank to make the Payment Order from the Account;
Account	any account opened for the Client by the Bank;
Terms and Conditions	Client Service General Terms and Conditions
Service Terms and Conditions	the Bank's Terms and Conditions regulating legal relationship between the Parties related to provision of the specific Banking Services;

Agreement	a written agreement (contract) concluded between the Parties on the provision (use) of Banking Services;
Payment Order	Payer's instructions to the Bank, by which it requests to make the Payment and which contains the information mentioned in Clause 4.3. of the Terms and Conditions;
Signature Sample Card	signatures and seal sample card for legal entities;
Person's Identification Document	passport or identification card, or another document according to the legislative acts of the Republic of Latvia;
Payment	Payer's or Beneficiary's commenced action of giving, transferring or withdrawing funds, regardless of duties being the basis of the relationship between the Payer or Beneficiary;
Payment Services	performance of Payments, incl. credit transfers, Payment orders, issuance of Payment Instruments;
Payment Order Acceptance Cut-off time	A moment of time on a business day that is prescribed by the Bank and after which the received Payment orders are deemed to be received on the next business day;
Payment Instrument	any individual device and/or total of operations, on which the Bank and the Client have agreed and which the Client uses to initiate and approve the Payment Order (payment cards, PIN codes, test-keys and other safety codes and operations to access funds in the Account);
Orders	any Client's or its authorized person's orders to the Bank according to the Bank's prescribed forms (incl. Payment Orders);
Beneficiary	the intended recipient of money funds indicated in the Payment Order;
Unique Identifier	account number in the form of IBAN, the Client should indicate to clearly identify the Beneficiary (or the Beneficiary's account) or another unique identifier;
Price List	the price list of services provided by the Bank, which prescribes amounts of commissions charges and their application terms and conditions;

1. GENERAL TERMS AND CONDITIONS

1.1. These Terms and Conditions prescribe and regulate relations between the Parties, their rights, responsibilities and liability, which arise during the process of the Bank providing Banking Services to the Client. In addition to the

Terms and Conditions legal relationship between the Parties in connection with provision of Banking Services are regulated by the respective Service Terms and Conditions, Agreement and Price List. Terms and Conditions are applicable in cases when individual issues are not stipulated in the Agreement signed between the Parties or Service Terms and Conditions or they are stipulated unclearly or incompletely. In case of controversies between the Terms and Conditions or Service Terms and Conditions and terms and conditions of the Agreement the respective terms and conditions of the Agreement shall prevail.

- 1.2. The Terms and Conditions are an integral part of any legal transaction concluded between the Parties (including the Agreement) and are binding on the Parties. The Client's signature on any Bank's Agreement or application confirms that he has acquainted himself with the Terms and Conditions, agrees with them and accepts them as binding for himself.
- 1.3. Terms and Conditions are binding not only for the Client, but for any legal successor of the Client who take over his rights and obligations.

2. CLIENT'S AND THE AUTHORIZED PERSON'S IDENTIFICATION

- 2.1 When opening the Account or providing Banking Services, the Bank performs the Client's identification, as well as the Client's operating and personal activities' identification according to the effective legislations of the Republic of Latvia and according to the Bank's established procedure. The Bank is entitled to request and the Client is obliged to submit to the Bank documents necessary for identification and research.
- 2.2 The Bank verifies identity of the Client - natural person and/or Client's Authorized person using Personal Identification Documents, which comply with the requirements of the legislations of Republic of Latvia.
- 2.3 The Client's identity, which is a legal entity, is initially verified based on the extract from legal entities' registering authority and/or other documents acceptable to the Bank. In case if legalized, certified by notary public document or verified foreign documents with an apostille are submitted to the Bank, the Bank is obliged to verify the formal compliance of these documents with the standard or generally accepted form, if any. The Bank accepts documents for identification of Clients in Latvian, English and Russian. Identity of a natural person representing the Client as a legal entity is verified according to Clause 2.2. of these Terms and Conditions.
- 2.4 When signing the Agreement (or later at the Bank's discretion) the Client legal entity is obliged to prepare a Client's or the Client's authorized person's (-s') signature sample according to the Bank's requirements and procedures. The signature of a natural person on the Personal Identification Document is used as the signature specimen (except, when the natural person acts as a representative of a Client legal entity). When providing the Banking Services, the Bank's representative visually compares the Client's or his authorized person's signature on the Orders with the signature in the Personal Identification Document. A Client legal entity prepares

Signature Sample Card, at its choice by affixing the seal imprint sample. The Bank's is not obliged to take into account color of the seal. For the purposes of comparing the Client's signature and seal sample, the Bank may use the Client's signature and seal's samples scanned in the automatic computer program.

- 2.5 If Client authorizes a third party to open and/or act with the Account, the power of attorney must be prepared in writing. The Client prepares the power of attorney on the Bank's form in the presence of the Bank's representative. The Client may provide certified by notary public power of attorney (legalized, if necessary).
- 2.6 The Bank is entitled, but not responsible for verification of the Client's legal entity's representatives' authorization, who are registered in the Commercial Register or another legal entities' registering authority.
- 2.7 If the Client has submitted a power of attorney, it should be considered valid until the moment the Bank receives a written notice from the principal or the authorized person on changes in the authorization or on its revocation, notwithstanding of changes in the Commercial Register or in any another registering authority of the Client.
- 2.8 The Client undertakes to recognize as binding the activities performed of his authorized person.
- 2.9 Clients (legal entities) are obliged to change the Signature sample card, if,
 - the Client's representatives or their personal data have changed;
 - the signature of the Client's representative has changed or it visually differs from the signature specimen at the Bank's disposal;
 - the Client's seal sample has changed or visually differs from the seal sample at the Bank's disposal.
- 2.10. When using the Banking Services remotely, the Client or its authorized person uses the Payment Instrument, the status and application procedure of which is prescribed in the respective Agreement signed between the Parties. Payment Orders and Orders are accepted in the Bank's prescribed procedure by using online connections forms being at the Bank's disposal.
- 2.11. When performing Banking Services in the Bank's prescribed procedure and cases the Bank is entitled to identify the identified Client or its authorized person on basis of driver's license issued according to the legislative acts of the Republic of Latvia.

3. ACCOUNT OPENING

- 3.1. The Bank opens the Account and concludes the Agreement with the Client on the basis of documents submitted by the Client upon the Bank's request.
- 3.2. When signing the Agreement and during the performance of the Agreement the Bank is entitled to request from the Client additional information and documents about Client's operating and personal activities, incl. data on business partners, the Account turnover, the number of cash and non-cash transactions, frequency of transactions etc., as well as information and documents on the Client's organizational structure, the true beneficiaries, Client's financial position and other necessary information.

3.3. For the purposes of determination the origin of funds, the Bank is entitled to request from the Client and the Client is obliged to submit to the Bank documents serving as the basis for the accomplished transaction (delivery contracts, purchase contracts, forwarding documentation, etc), as well as information about the person(s) participating in the transaction. If the Client fails to submit documents confirming the origin of funds to the Bank, the Bank is entitled to refuse to perform the Client's Orders and to act according to the procedure approved by the Bank and/or requirements of legislations of the Republic of Latvia.

3.4. The Bank opens multicurrency accounts for the Client, if the Parties have not agreed otherwise. If the Client wishes to open the third and a further current account, he submits to the Bank an application on Account opening wherein he indicates reasons for opening an additional Account.

3.5. In case the Client is a minor natural person the Account in his name can be opened by one of his parents or by a tutor appointed by decision of orphans' court.

3.6. The Bank is entitled to refuse to open any Account without explaining reasons.

4. THE CLIENT'S ORDERS

4.1. The Orders should be submitted to the Bank in the manner agreed between the Parties. Upon a special agreement between the Parties Orders may also be submitted electronically.

4.2. When the Client submits an Order to the Bank, the Bank's employee affixes his personal stamp and signature on it thus confirming the receipt of Order, but not its execution.

4.3. Payment Order should contain the following information:

- 4.3.1. Payer's name, surname/company name,
- 4.3.2. Payer's identity number/registration number,
- 4.3.3. Payer's Account IBAN number,
- 4.3.4. Beneficiary's name, surname/company name,
- 4.3.5. Beneficiary's identity number/registration number,
- 4.3.6. the amount and currency to be transferred,
- 4.3.7. Beneficiary's Bank or another institution according to definition of the Payment Services Law,
- 4.3.8. Unique Identifier of the Beneficiary,
- 4.3.9. the aim of the Payment.

4.4. Order has to be complete correctly, signed appropriately by the Client (if submitted in paper form) or confirmed by a Payment Instrument.

4.5. If the Payment Order does not correspond to Clause 4.3. and 4.4. of the Terms and Conditions, the Payment should be deemed unauthorized.

4.6. The Client is obliged to ensure sufficient amount of money funds in the Account during performance of the respective Payment, including commission charges connected to the Payment, as well as other commission charges pertaining to the use of the Account according to the Price List.

4.7. If there are no sufficient funds on the Account for cashing of the Bank's commission charges and other commission charges according to the Terms and Conditions

and the Price List, the Bank is entitled without prior consent refuse to perform the Payment.

4.8. The Bank considers the Client's Payment Orders as valid and enforceable for 5 (five) Bank business days, starting with the day of receiving of the Payment Order.

4.9. The Client may not revoke or amend the Payment Order after its received by the Bank, the Bank and the Client agree otherwise in each individual case. The Bank is entitled to cash a charge for revoke or amendment.

4.10. The Bank informs the Client that according to the Bank of Latvia regulations, when making transfer in lats in Latvia, any Latvian credit institution is entitled to transfer funds to Clients based only on the recipient's account number in the form of IBAN indicated in the Credit Transfer.

4.11. In cases when the Client wants to make regular payments, he has to submit to the Bank "Standing Order".

4.12. If the day of the payment indicated in the "Standing Order" is not a business day, the respective payment is made on the next business day of the Bank.

4.13. The Credit Transfer indicated in the "Standing Order" is made only, if the Client's Account contains sufficient amount of money funds necessary for the Credit Transfer. If the funds necessary for the Credit Transfer are not found in the respective Client's Account on the fixed payment making day, then this Credit Transfer will be executed after the Account contains the necessary funds.

4.14. The "Standing Order" is in force also after the persons who have signed it lose the right to act the Account unless the Client notifies the Bank in writing about cancellation of the "Standing Order".

4.15. The Client may cancel the "Standing Order" by informing the Bank in writing at least 2 (two) Bank's business days before the day of making the current regular payment, indicated in the "Standing Order". The Bank cancels the "Standing Order" until the end of the next work day of the Bank at the latest.

4.16. If the Client has not mentioned the beneficiary bank's correspondent bank for the respective currency in the outgoing Credit Transfer, the Bank is entitled to choose the beneficiary's correspondent bank at its discretion without agreeing this choice with the Client. In this case the Client is liable for all additional costs.

4.17. If the Client submits an Order with an indication that all commission charges are payable by the beneficiary, the Bank sends the Credit Transfer to the intermediary bank or the beneficiary bank with a respective indication (BEN). In that case all commission charges related to the Credit Transfer are paid by the beneficiary. If the Client submits an Order with an indication that all commission charges are payable by the Payer, all commission charges related to the Credit Transfer are paid by the Client and the Bank sends the Credit Transfer to the correspondent bank or the beneficiary bank with a respective indication (OUR) by requesting the beneficiary bank to pay full amount of the Credit Transfer to the beneficiary. The Client pays all the additional commission charges. If the Client indicates in Order that the payer's bank's commission charges is paid by the payer, but commission charges of the intermediary banks and the beneficiary bank are paid by the beneficiary, the Bank's commission charges

related to the Credit Transfer is paid by the payer, but commission charges of the intermediary banks and the beneficiary bank are paid by the beneficiary, and the Bank sends the Credit Transfer to the intermediary bank or the beneficiary bank with a respective indication (SHA). The Bank bears no responsibility for non-fulfillment of the Bank's instructions by the intermediary bank or the beneficiary bank, or also if the Credit Transfer was not received in full amount due to other reasons beyond the Bank's will. The Bank is entitled to deduct the commission charges requested by the beneficiary bank or other commission charges related to this transfer from the Client's Account without the Client's order (without the Client's authorization), by taking into account the Client's indication on payment of the commission charges (BEN, OUR, SHA).

4.18. Funds is paid out from the Client's Account according to the Bank's cheques or on the basis of an application of certain form, which is signed by the Client or his authorized person. The Bank issues the Bank's cheque book to the Client (legal entities) on the basis of an application of certain form. Validity term of the Bank's cheque and cash withdrawal application is 5 (five) calendar days from the date of its completion. In case of closing the Account, the Client should submit to the Bank the Bank's cheque book with unused cheques and their stubs.

4.19. When using the Bank's cheque book, the Client should comply with the cheque completion and usage procedure approved by the Bank.

5. PERFORMANCE OF PAYMENT

5.1. The moment of receipt of the Payment Order is determined according to Clause 4.1. and 4.2. of the Terms and Conditions. If the moment of receipt is not a business day, the Payment Order is considered received on the next business day of the Bank.

5.2. Payment Order Acceptance Cut-off time, which are applicable to different Payments, are indicated on the Price List.

5.3. When receiving a Payment Order, the Bank shall to check whether the Payment Order contains full information according to Clause 4.3. of the Terms and Conditions and if it corresponds to Clause 4.4. of the Terms and Conditions.

5.4. In case the Payment Order does not correspond to Clauses 4.3. and 4.4. of the Terms and Conditions, the Bank abstains from performing the Payment and informs the Client thereof according to Clause 5.7. of the Terms and Conditions.

5.5. If the Payment Order corresponds to Clause 4.3. and 4.4. of the Terms and Conditions, the Payment is transferred to the Beneficiary's Bank or to another institution according to definition of the Payment Services Law according to the execution times indicated in the Price List for each specific type of Payment.

5.6. The Bank is entitled to refuse to perform the Payment Order in cases if the provisions mentioned in the Terms and Conditions are not met or if the regulations of legislative acts or other regulating acts prohibit the Bank from performing the Payment Order.

5.7. No later than within three business days the Bank informs the Client about the refusal, and if legislative or other regulating acts do not prohibit it, about its reasons, basis for

refusal as well as about procedure for correction of mistakes. The Bank is entitled to collect from the Client a commission charge for notification, which corresponds to the actual costs. Information is provided by telephone or according to Clause 17.4. of the Terms and Conditions.

5.8. The Bank, at the Client's request, provides precise information before performance of the Payment about the maximum performance time and commission charge, which should be paid by the Client, and the distribution of commission charge in the respective case.

5.9. If the Client has submitted a Payment Order in a specific currency for an amount which exceeds balance of funds in the Account in the specific currency, the Bank in order to perform such Order is entitled, at its discretion, by applying the currency exchange rate fixed by the Bank for the respective day, to use the money funds in the Account in other currencies, however the Bank is not obliged to do so.

5.10. The Bank is entitled and the Client authorizes the Bank to deduct the funds from the Account without the Client's Order in the following cases:

5.10.1. for the Bank's Services according to the Price List;

5.10.2. if transfer of the funds into the Account has occurred due to error, deceit or other reason without a sufficient legal basis. If deduction or erroneously transferred amount from the Account is not possible due to lack of funds, the Client has to return erroneously transferred money funds from the Account to the Bank within 5 (five) business days after receipt of a respective written notification (claim) from the Bank;

5.10.3. for the purpose of fulfillment of the Client's obligations towards the Bank or indemnification of loss caused to the Bank;

5.10.4. for repayment according to other Agreements concluded;

5.10.5. in cases provided in the legislative acts of the Republic of Latvia.

5.11. The Bank is entitled not to disburse the Funds from the Account if a respective court judgment has come into force, if criminal proceedings have been investigated on forgery of the Client's Order, including the forgery of the Client's representative's signature and/or seal, or if a civil dispute has occurred on the Client's Account's management rights, as well as in cases when the funds in the Account are encumbered (blocked) at request of the persons indicated in legislative acts of the Republic of Latvia.

6. RECEIPT OF PAYMENTS

6.1. The Bank shall ensure that the Payment amount is transferred in the Account and is available to the Client no later than on that business day when the mentioned amount is paid into the Bank.

6.2. Unless the Parties have agreed otherwise, the incoming foreign currency payments will be transferred to the Account indicated in the Payment Order. If the Account is in another currency than the Payment currency, the Bank shall translate the Payment amount to the Account currency according to Clause 7.1. of the Terms and Conditions.

6.3. The Bank is entitled to refuse making the Payment funds available in case the Bank is prohibited in doing so in

connection with the legislative acts or other regulating acts applicable to the Bank.

6.4. The Bank is entitled to write off the erroneously transferred amounts into the Account from the Account without any prior notice.

6.5. The Bank is entitled to accept any payment to the Client's Account without the Client's consent.

7. CURRENCY EXCHANGE

7.1. The Bank's currency exchange rate is the currency exchange rate in force at the moment of enforcement of the Payment Order, unless a different agreement exists, and is available at the Bank's premises during the work hours or on the Bank's web page in Internet.

7.2. The Bank informs the Client about the currency exchange rate used for performance of the Payment Order in writing or electronically according to Clause 13.3. and 13.4. of the Terms and Conditions.

8. RECOVERY OF FUNDS

8.1. If the Client has submitted an appropriate request to the Bank, the Bank try to trace the Payment immediately and notifies the Client about the result. The Bank may collect a comission charge for such service according to the actual costs.

8.2. If the Client has indicated an incorrect Unique Identifier, the Bank shall at the Client's request try to recover the funds. The Bank collects a comission charge from the Client according to the Price List for the Payment recovery. That comission charge can be deducted from the recovered amount.

9. CLOSING OF THE ACCOUNT

9.1. The Account is closed within 2 (two) Banking business days upon receipt of the Client's written application on closing of Account according to the terms and conditions of the specific Agreement, as well as in other cases, which are provided by the respective Agreement and these Terms and Conditions.

9.2. The Bank is entitled to close the Client's Account by giving a 60 (sixty) calendar days prior notice to the Client, if at least one of the following provisions has occurred:

9.2.1. if there has been no Account turnover and a positive balance in the Account during for a period of 6 (six) months (except for the term of 24 (twenty four) months indicated in the "Information about opening and servicing of a current account for the client - pensioner");

9.2.2. the Client fails to fulfill his duties and liabilities towards the Bank according to the signed Agreements;

9.2.3. if the Client permits a legally punishable, dishonest or unethical action towards the Bank; if the Client in any manner discredits the Bank by permitting offensive, abusive or defamatory activities against the Bank or its employees, or otherwise gives basis to the Bank to consider further cooperation with the Client as dishonest, useless or offensive to the Bank's reputation;

9.2.4. the Client at the Bank's request fails to provide or refuses to provide the necessary information and/or documents to the Bank (for identification of the Client's and/or true beneficiary's identity, information about operating activities, origin of funds, contracts, agreements, which substantiate performance of

transactions, etc.), or also provides false or deceptive information;

9.2.5. in other cases provided in the legislative acts of the Republic of Latvia or Bank's internal documents.

9.3. The Client is obliged until closing of the Account to compensate all the Bank's expenses and losses caused during performance of the Client's Orders, and, if necessary, submit an appropriate collateral.

9.4. When closing the Account, the Bank:

9.4.1. after deduction of funds in cases mentioned in Clause 5.10. of these Terms and Conditions returns to the Client the remaining funds, but in cases provided for in the legislative acts of the Republic of Latvia transfers the funds according to the Client's instructions to the Client's account with another credit institution or to the account where the funds were received from.

9.4.2. leaves at its disposal the Client's documents submitted to the Bank when opening the Account and during cooperation with the Bank, providing information about transactions (contracts etc.) to the Bank,

9.4.3. terminates the activity of the Agreement from the moment when the liabilities established by the use of the Account have been terminated.

9.5. If the Client has not withdrawn funds from the Account (he has not given the Order on transfer of the funds to another bank) according to Clause 9.4.1., the Bank blocks the Account until the moment of receipt of Order from the Client about the transfer of funds to another credit institution.

9.6. The Bank issues to the Client a reference (confirmation) to the Client on closing of Account only at the the Client's request and only after fulfillment of all the Client's liabilities towards the Bank.

9.7. In case of closing of Account the Client is informed and gives his consent to the Bank to continue processing his personal data, as far as it necessary to perform the binding legislative acts for the Bank.

9.8. The Bank may suspend the activity of the Account in cases provided in legislative enactments of the Republic of Latvia. The Bank at its own initiative or at the Client's representatives' application is entitled to block ('freeze') the Account's activities if a dispute arises on the rights to act with the Account.

10. PAYMENT FOR THE BANK'S SERVICES

10.1. Comission charge and interest related to Banking Services and the Account servicing are paid according to the Price List, except as agreed between the Parties. Any comission charges applied to the Client are written off the Client's Account.

10.2. The Client compensates to the Bank all the actual costs related to performance of necessary activities for the Banking Services, incl. expenses related to the Bank's refusal to made a Payment Order, Payment Order revocation, Payment Order recovery, as well as payment of taxes, duties and other accessory payments provided for by legislative acts of the Republic of Latvia.

10.3. In cases when a need arises, the Bank is entitled, at the Client's expense, to request and obtain from third persons the necessary information, documents, extracts from the registers,

etc., which are necessary for performance of the Client's Order, inspection of the Client's proposed collateral, its evaluation, management or alienation. The Bank is entitled to deduct from the Client's Account expenses related to receipt of the aforementioned information with prior notice to the Client.

10.4. If the Bank according to the Terms and Conditions or others Service Term and Conditions has to verify the authenticity, completeness, truthfulness or validity of documents provided by the Client or to translate them, the Bank is entitled to use services of third parties at the Client's expense.

10.5. The Bank is entitled to deduct Banking Services' commission charge (Clause 10.1.), the Bank's actual costs (Clause 10.2.), costs of information obtention (Clause 10.3.), and costs according to Clause 10.4. of the Terms and Conditions and costs of the currency exchange from the Client's Account(-s) without the Client's consent, according to Clause 5.10. of these Terms and Conditions, adding an appropriate record of the cost to the Client's Account.

10.6. The Bank performs state authorities' and executives' information requests about the Client, Client's deposits and Banking services, as well as requests on collection and mortgaging of the Client's funds and other claims to be enforced according to the legislative acts of the Republic of Latvia according to the Price List.

11. INHERITANCE

11.1. In case of the Client's death, the Bank is entitled to request from the persons submitting in the Bank claims to the Client's property, and these persons are obliged to submit to the Bank a document (-s) confirming their right as heirs to the inheritance left by the Client, which corresponds to the requirements of the legislative acts of the Republic of Latvia.

12. CONFIDENTIALITY

12.1. The Bank guarantees confidentiality of the Client's personal data, Accounts and transactions.

12.2. Upon the Client's request the Bank provides to the Client or to his authorized representative information about the Accounts and transaction performed in them. The Client may receive information about the Account status also by telephone, in the form agreed with the Bank by notifying the Client's identification number and password issued by the Bank.

12.3. In case of withdrawal of funds the Client has to check the received amount immediately in the presence of the Bank's employee who pays out the money. The Bank bears no responsibility and accepts no complaints, if the Client fails to comply with the requirement of this Clause.

12.4. Non-raising of objections within the term indicated in Clause 14.6. of the Terms and Conditions is considered as acquiescence. Later Client's claims are not considered. The Bank does not accept objections against payments or withdrawals of funds confirmed by signature of the Client or his authorized representatives on the payment document.

12.5. The Client agrees that the Bank is entitled to record and preserve telephone conversations and to choose unilaterally the technical means for recording telephone conversations. The Parties agree that recording of telephone conversations will serve as a sufficient evidence of communication between

the Client and the Bank for resolving disputes between the Parties, including at the court.

12.6. The Client agrees that the Bank is entitled to process (collect, store, register, enter, transfer etc.) personal data of the Client, his representative, the true beneficiary, and to receive personal data and other information from third parties (registers) to supply and verify information provided by the Client (for example, the Central Data Base of the Ministry of Interior Population Register, the Bank of Latvia Credit Register etc.) and to process it.

12.7. The Bank is entitled to disclose the Client's data and confidential information:

- to companies or enterprises, which have directly or indirectly acquired material control in the Bank's share capital or in which the Bank has acquired direct or indirect control;
- to persons whom the Bank has entrusted to perform certain functions or provide services, which are necessary for rendering of Banking services;
- to third persons in order to protect the Bank's legal rights or in cases when the Client has not properly fulfilled the obligations arising from the Agreements (for example, to the person who on the basis of agreement provides debt collection services to the Bank);
- to data registers (for example, the Central Bank of Latvia's Credit register), to which the Bank provides information on the basis of legislative acts or agreements;
- to the Central Bank of Latvia, other countries' central banks and third persons involved in the settlement systems' activities in order to ensure effective functioning of the settlement systems;
- according to the requirements of the legislative enactments and Bank's transaction partners, information about the Client may be transferred to the European Union's and other countries' state institutions for the purposes of performing their functions;
- in other procedure and cases provided in legislative acts of the Republic of Latvia.

13. PROVISION OF INFORMATION

13.1. After the Payment is performed and the money funds are withdrawn from the Account the Bank provides the Client with the following information:

13.1.1. reference, which allows the Client to identify each Payment and information about the Beneficiary;

13.1.2. the Payment amount in the currency, in which it is written off the Account or in the currency used in the Payment Order;

13.1.3. the amount of the commission charge and distribution of commission charge applied to the Payer;

13.1.4. if currency exchange was implemented, the currency exchange rate used in the Payment, and the Payment amount after translation of currency;

13.1.5. the value date for withdrawing of the Payment amount from the Account or the receipt date of the Payment Order.

13.2. After the Payment is performed and the money funds are transferred into the Account, the Bank provides the Client with the following information:

13.2.1. reference, which allows the Client to identify each Payment and information about the Payer;

13.2.2. the Payment amount in the currency, in which it is transferred to the Account;

13.2.3. the amount of the commission charge and distribution of commission charge applied to the Payer;

13.2.4. if currency exchange was implemented, the currency exchange rate used in the Payment, and the Payment amount after translation of currency;

13.2.5. the value date for the transfer of money to the Account.

13.3. Information mentioned in Clause 13.1. and 13.2. is available to the Client in writing in the form of the Account Statement and the Client receives it for the chosen period of time at the address indicated in the Agreement or at the Bank's premises upon payment according to the Price List.

13.4. If the Client uses electronic communication channels, information mentioned in Clause 13.1. and 13.2. of the Terms and Conditions is available in form of the Account Statement electronically (in Internet Banking system).

13.5. The Client is obliged to become acquainted with the Account Statement at least once in a month. The Client shall inform the Bank immediately about any incorrectly or erroneously performed or unauthorised Payment as soon as he is made aware of such.

14. LIABILITY OF THE PARTIES

14.1. The Parties are liable to each other for failure to perform their liabilities or their improper performance in the procedure and amount prescribed in legislative acts of the Republic of Latvia, the agreements signed and these Terms and Conditions

14.2. The Client is liable to the Bank for the truthfulness, completeness, preciseness and submission timeliness of the data and documents provided to the Bank.

14.3. The Client undertakes to inform the Bank about all changes in its legal status or in submitted documents.

14.4. If the Client has submitted a Payment Order in an an EEZ member country's currency and enforceable in an EEZ member country, the Bank is materially liable to the Client for correct performance of the Payment Order according to Clause 5.5. of the Terms and Conditions. If the Bank can prove that the Beneficiary's Bank or another institution according to definition of Payment Services Law has received the Payment amount at the time indicated in Clause 5.5. of the Terms and Conditions, the Beneficiary's Bank or another institution according Payment Services Law definition is liable for correct performance towards the Client or the Beneficiary.

14.5. If the Client has submitted a Payment Order in a currency other than that of an EEZ member country and/or to be enforced outside the countries of the EEZ, the Bank shall be liable to the Client for correct performance of Payment

according to Clause 5.5. of the Terms and Conditions. If the Bank can prove that it sent the Payment to the Beneficiary's Bank or another institution according to definition of Payment Services Law or to the intermediary in the term indicated in Clause 5.5. of the Terms and Conditions, the Beneficiary's Bank or the intermediary (if any) are materially liable for precise performance of the Payment towards the Client or the Beneficiary.

14.6. The Bank is not liable toward the Client for any incorrectly or erroneously performed Payment, if the Client has not notified of such according to Clause 13.5. of the Terms and Conditions and within thirteen months starting from the performance day of incorrectly or erroneously made or unauthorised Payment

14.7. The Bank is not liable toward the Client according to Clauses 14.4. and 14.5. of the Terms and Conditions if the Payment Order has been refused according to Clauses 5.6. and 6.3. of the Terms and Conditions.

14.8. If the Client has indicated an incorrect Unique Identifier, the Bank is not liable for incorrectly or erroneously performed Payment. The Bank is not obliged to check the correspondence of the Unique Identifier with the rest of the Payment details.

14.9. If the Payment is deemed to be unauthorised (Clause 4.5. of the Terms and Conditions) or the Bank has made it erroneously, the Bank shall repay within 30 (thirty) Bank's business days after receipt of the Client's claim the amount of the unauthorised or erroneously paid Payment.

14.10. The Bank shall not be liable toward the Client for any erroneously made Payment if the Payment was done incorrectly due to circumstances that depend on the Client.

14.11. The Bank is not liable for delayed Payments or their non-performance if the delay or non-performance is due to such circumstances that the Payment Order contain the Bank's non-convertible currency.

14.12. The Bank is not liable for delayed Payments or their non-performance due to such circumstances or investigation that are connected to performance of the Bank's binding legislative acts or other regulating acts.

14.13. The Client undertakes full liability and indemnifies losses caused to the Bank and/or third persons while the Client was using the Account for illegal actions, by violating or ignoring the legislative acts of the Republic of Latvia, these Terms and conditions or other Bank's internal documents, by violating or ignoring the terms and conditions of Agreements signed with the Bank, by committing malicious acts or carelessness, as well as in cases when the Client or its representative at the moment of provision of Banking services is an incapable person or its capability is limited.

14.14. When performing Client's or its representatives' identification, verification of the Client's submitted documents or performing the Client's Orders, the Bank's employee visually compares the signature and seal's sample (if such is used) on the Client's Orders with the signature sample and seal's sample in the Signature sample card (for natural persons – according to procedure set forth in Clause 2.2. of the Terms and Conditions) and the Bank is not obliged to check the authenticity of signature and seal's sample additionally.

14.15. If the Bank according to the Terms and Conditions or other Service Terms and Conditions should verify the truthfulness, completeness or validity of document, or translate its contents, it shall be liable only for gross negligence.

14.16. The Bank does not assume liability for deduction of funds from the Client's Account on the basis of forged or illegal Orders in those cases when signature and seal on the Order visually corresponds to the signature and seal in the Signature sample card (for natural persons - according to procedure set forth in Clause 2.2. of the Terms and Conditions) or in cases when the authorization of the Authorized person is revoked and it has not been notified to the Bank or when test keys have been calculated correctly according to the calculation algorithm.

14.17. If the Client uses communication means, the Bank is not liable for losses occurring due to operational disturbances of post, facsimile, electronic, or other communication means, as well as technical equipment, which ensure performance of the respective Banking services.

14.18. The Bank is not liable for consequences and/or losses if the Client's funds in the Account or corresponding account in another bank are pledged (arrested), confiscated, alienated in forced procedure, ban is placed on them or they are encumbered in any other manner.

14.19. If during performance of Client's Orders, due to reasons beyond the Bank's will the Bank incurs a loss, then the Bank is entitled without the Client's consent to deduct funds from the Client's Account (-s) in the amount of loss or otherwise compensate losses according to the Terms and Conditions.

14.20. The Bank is not liable for non-performance of liabilities arising from the signed Agreements or their partial performance if the reason of non-performance is force-majeure, including amendments, supplements to the binding legislative acts, or adoption of new such acts and/or their coming into force, nature catastrophes and disasters, military activities, strikes, disturbances in communication means, information systems and other circumstances, which are beyond the Bank's control possibilities.

14.21. The Bank is liable for its employees' activities as far as they have acted during the Bank's business hours, performing their work duties and directions of the Bank's management.

14.22. All the Client's funds, revenues from them from the moment of signing the Agreement are deemed to be collateral of the Client's liabilities on behalf of the Bank. Collateral refers to all Client's liabilities towards the Bank, including payments for Banking Services, Bank's expenses, costs, interest and losses, which might be payable on behalf of the Bank. If a loss has been caused to the Bank as a result of the Client's activity (inactivity), the Bank is entitled to use the mentioned collateral for indemnification of loss without the Client's Order and consent.

14.23. The collateral mentioned in Clause 14.22 does not exclude the possibility for the Parties to plan collateral in the specific Agreement according to the terms and conditions of Agreement.

14.24. The Bank does not have legal liability for termination of business relationship with the Client or request to fulfill its

liabilities before the due term in cases and procedure stipulated in Clause 9.2 of the Terms and Conditions.

15. PROCEDURE OF COMPLAINTS

15.1. Any Client complaints about the Bank's activities while performing the Agreement should be submitted to the Bank in writing or in another manner whatsoever, the Parties agree upon in the Agreement.

15.2. Detailed information about complaints consideration procedure is available at the Bank's premises and on the web page www.lbb.lv.

16. SETTLEMENT OF DISPUTES

16.1. Any dispute, disagreement or claim arising from the Agreement, referring to it or its breach, termination or invalidity, is resolved according to procedure set forth in legislation of the Republic of Latvia or in an arbitration court, if it is provided in the Agreement signed between the Parties.

16.2. Legal relationship between the Parties shall be interpreted according to the legislative acts of the Republic of Latvia unless specified otherwise in the Agreements. The place of performance of Bank's operations to be performed between the Parties shall be the Bank's premises.

16.3. The Client may submit a claim on non-cash funds transfers and transactions with electronic means of payment whose amount (total amount of obviously connected transactions) does not exceed EUR 50 000.00 (fifty thousand Euro) to ALCB ombudsman, if the Client previously submitted claim of the same to the Bank, but within 1 (one) calendar month's time from submission of claim has not received a satisfactory reply from the Bank. The "Regulation of Latvia Ombudsman of the Association of Commercial Banks" and "Procedure for Reviewing the Complaints of Credit Institution Customers by the Association of Commercial Banks of Latvia Ombudsman (Rules)" is available at the Bank's premises or on the ALCB web page – www.bankasoc.lv.

17. FINAL PROVISIONS

17.1. The Bank is entitled to unilaterally amend and supply the Terms and Conditions and the Price List. Information about amendments and supplements to the Terms and Conditions and the Price List no later than 60 (sixty) calendar days before is available on the Bank's web page – www.lbb.lv and at the Bank's premises during its business hours.

17.2. Any changes in the currency exchange rates are applied at once and without any notification. Changes in the currency exchange rates and other topical information is available to the Client at the Bank's premises and on the Bank's web page.

17.3. If the Client does not agree to the announced amendments, he informs the Bank about it in writing before the effective date. In such case the Client is entitled to terminate the Agreement until the effective date of the amendments.

17.4. The Bank sends information connected with Banking Services to the Client (requests, orders, applications, notices, etc.) to the Client's address and/or telephone number, which is indicated in the Agreement or Client's Order, or another document submitted to the Bank and it is considered that the Client, when indicating its address and/or telephone number in the document submitted to the Bank, has agreed to the sending

of the information connected with the Banking Services to this address and/or telephone number. If the Client has not informed the Bank about a change in his/her address and/or telephone number, to which information should be sent, the Client is liable for all the consequences of non-information.

17.5. All notices or documents are deemed to be sent to the Client or received in the Bank at the moment when the respective notice or document is registered in the Bank unless the respective Service Terms and Conditions provide another procedure, or when the notice is placed in the Bank's home page or becomes available in the Bank's premises.

17.6. If the Client continues to use Banking Services after the effective date of amendments, it is considered that the Client has agreed to these amendments.

17.7. If any section (clause or paragraph) of the Terms and Conditions becomes non-compliant with legislative acts of the Republic of Latvia or invalid, it shall not reduce the binding force of other clauses of the Terms and Conditions. If the Agreement is concluded in Latvian and simultaneously also in a foreign language, then the Latvian text shall prevail.
