

## Danske Bank A/S Latvia branch GENERAL CONDITIONS OF TRANSACTIONS

### TERMS

The following terms are used in the present General Conditions:

**Bank** - Danske Bank A/S, registered in Danish Commerce and Companies Agency with registration number 61126228, legal address: Denmark, Copenhagen, Holmens Kanal 2-12, whose authorized representative in Republic of Latvia is Danske Bank A/S Latvia branch, registered in Commercial Register of Republic of Latvia with unified registration number 40103163202, legal address: Riga, Cesu street 31/8, LV-1012.

**Banking service/s** - Banking Services to be provided to the Customer in compliance to the Credit Institutions Law, other legal acts governing the activity of credit institutions and mutually concluded contracts.

**Pricelist** - the Bank's service price list which is valid on the day of provision of the respective service. The Bank shall display the Pricelist in the Bank's premises and on its website: [www.danskebanka.lv](http://www.danskebanka.lv).

**Companies of the Danske Bank Group** - the companies in which the majority of the voting equity capital is owned by the Bank and in which it has a decisive influence. The majority of the voting equity capital and the decisive influence are to be understood as the rights and possibilities to take decisions by a single member in shareholder meetings, councils and boards of the respective companies.

**Business day** - a day on which the Bank serves customers and provides Banking services;

**Financial pledge** - funds (money) or financial instruments that are credited or will be credited on the Customer's Accounts within the Bank and are used as a security for the Customer's financial obligations towards the Bank, including payment for the services provided by the Bank, the Bank's costs, expenses or losses that might be paid for the benefit of the Bank.

**IBAN** (International Bank Account Number) - an international bank account number allocated by the Bank to the Customer and conforming to the International Standard ISO 13616:1997 developed by the European Committee for Banking Standards and the International Organisation for Standardisation.

**Customer** - a natural or legal person using the Bank's services.

**Account** - any account of the Customer opened within the Bank in accordance with the present Conditions.

**Parties** - the Bank and the Customer, jointly and individually.

**Contract** - a contract concluded between the Bank and the Customer on the use of the Bank services an integral part of which shall be the Conditions and the Pricelist.

**LR** - the Republic of Latvia.

**Payment** - an action initiated by the Payer or the Beneficiary with the aim of giving over, transferring or withdrawing money irrespective of the obligations on which the relations between the Payer and the Beneficiary are based.

**Payment order** - the Payer's or the Beneficiary's order:

- 1) to the Payer's bank to process the payment; i.e. to perform all required activities in order to transfer the payment amount to the Beneficiary's bank; or
- 2) to the Beneficiary's bank to execute the payment.

**Payer** - a natural or legal person being the holder of the Payment account and initiating the Money transfer by submitting the Payment order to the Bank.

**Payer's bank** - a credit institution or a payment institution to whom the Payment order is submitted by the Payer.

**Money transfer** - a payment executed by the Payer's bank on the Payer's initiative on the basis of the Payment order with the aim to transfer the respective amount of money to the Beneficiary's account within the Beneficiary's bank.

**Conditions** - the present General Conditions of Transactions.

**Beneficiary** - a natural or legal person being the designated recipient of funds to be transferred via Money transfer.

**Beneficiary's bank** - a credit institution or a payment institution receiving the funds transferred via Money transfer and making them available to the Beneficiary.

**Intermediary bank** - a credit institution involved in the execution of the Money transfer other than the Payer's bank or the Beneficiary's bank.

**SWIFT** (Society for Worldwide Interbank Financial Telecommunication) - an international organisation established by banks that ensures transmission of interbank financial reports using a telecommunication network.

**Value date** - the date on which the funds:

- 1) are debited from the Payer's account (debiting value date); or
- 2) are credited to the Beneficiary's account (crediting value date).

## **II APPLICATION OF THE CONDITIONS**

2.1. The present Conditions shall govern the mutual relations between the Customer and the Bank as far as these relations have not been regulated in Contracts concluded between the Bank and the Customer.

2.2. The present Conditions shall form an integral part of any transaction and Contract concluded between the Parties and shall be binding on the Parties.

2.3. The Customer's signature on any document to be submitted to the Bank or on a Contract signed by both Parties shall certify that the Customer got acquainted with the present Conditions, agrees to them and undertakes to comply with them.

## **III OPENING AND CLOSING OF ACCOUNTS**

3.1. The following documents shall be submitted to the Bank for the purpose of opening an Account:

3.1.1. for natural persons:

- a passport or other personal identity document comparable to a passport in accordance with legal acts of the LR;
- for self-employed persons - a tax-payer's registration certificate;
- for individual merchants (companies) - a registration certificate;
- other documents at the Bank's discretion;

3.1.2. for legal persons (including partnerships, limited partnerships, general partnerships):

- registration certificate;
- Articles of Association (if provided for under the Commercial Law, the Associations and Foundations Law, the Law on Religious Organisations and other legal enactments);
- structure of Members (Founders) down to natural persons unless otherwise stipulated by other internal regulatory acts of the Bank;
- documents certifying the legal capacity of the representative/-s;
- the representative's passport or other personal identity document comparable to a passport in accordance with legal acts of the LR;
- other documents at the Bank's discretion.

3.2. The Customer shall present the originals of all the documents listed under Paragraph 3.1 to the Bank, the Bank shall check them, make copies and return the originals to the Customer.

3.3. The Customer may submit notarially certified copies of the documents listed under Paragraph 3.1, and these shall not be returned to the Customer and shall be kept by the Bank in the Customer's file.

3.4. If any of the documents to be submitted to the Bank has been issued abroad, it shall be certified by a notary and properly legalised in accordance with the requirements of legal acts of the LR. If the Customer submits documents in a foreign language, the Bank shall be entitled to require and the Customer shall be obliged to submit to the Bank notarised translations of such documents in the Latvian language.

3.5. An Account shall be opened for the Customer upon his/her arrival at the Bank in person and upon conclusion of the Contract on opening of an Account within the Bank.

3.6. The Customer shall be obliged to notify any changes in the Customer's data (including the Customer's name, residential address or registered office, other contact details, etc.) to the Bank in writing.

3.7. The Bank shall close the Account on the basis of Customer's written application. The Bank shall keep the right to refuse closing of the Account to the Customer if the Customer has not fully paid for all the Bank services provided to the Customer.

3.8. The Bank shall be entitled to close the Customer's accounts within the Bank without Customer's consent in the following cases:

- the Customer does not comply or does not comply properly with his/her obligations towards the Bank;
- the Customer has not performed any operations with the Account for more than 12 (twelve) calendar months and there is no positive cash balance in the Account;
- according to the Bank's conclusion, the Customer has breached the Law on the Prevention of Laundering of Proceeds from Crime and Terrorist Financing or a legal act replacing it.

## **IV CUSTOMER IDENTIFICATION**

4.1. The Bank shall perform identification of the Customer in accordance with the requirements of legal acts of the LR, observing the Customer Identification Procedure approved by the Bank.

4.2. The Bank shall keep the right to require additional data, information or documents from the Customer during the term of contractual relationships with the Customer, and the Customer shall be obliged to submit these to the Bank immediately upon Bank's request.

## **V REPRESENTATION**

5.1. The Customer may authorise a third party to use the Bank's services on behalf of the Customer. The power of attorney authorising such a use shall be drawn up in accordance with the requirements of legal acts of the LR and the Bank.

5.2. The power of attorney issued by the Customer, a natural person, to a third party to act on behalf of the Customer shall be notarially certified. If the power of attorney has been issued abroad, it shall be accordingly legalised in accordance with the provisions of Paragraph 3.4 of the present Conditions.

5.3. A power of attorney issued by the Customer, a legal person, to a third party to act on behalf of the Customer without notarial certification shall be accepted by the Bank only if it has been drawn up on the Customer's form

and signed by the Customer's authorised official whose signature specimen has been submitted to the Bank, and has been sealed. In other cases the power of attorney must be notarially certified. If the power of attorney has been issued abroad, it shall be accordingly certified and legalised in accordance with the requirements of legal acts of the LR.

5.4. The Bank shall keep the right to refuse provision of Banking services if the Bank has suspicions of invalidity of the power of attorney or its non-compliance to the requirements of legal acts of the LR.

5.5. The Bank shall check only the form of the power of attorney and shall not assume liability for its validity.

5.6. Any power of attorney submitted to the Bank shall be deemed to be valid until the moment the Customer (the Principal) personally submits to the Bank a document on withdrawal of the power of attorney or if its term expires.

5.7. In case of the Customer's death or in case the Customer is declared incapable or insolvent, any operations with the funds on the Customer's Accounts shall be executed in accordance with the provisions of legal acts of the LR.

## **VI CONFIDENTIALITY**

6.1. The Bank shall ensure confidentiality of the Customer's identity data, Accounts and transactions in accordance with the requirements of legal acts of the LR.

6.2. The Bank shall have the right to transfer data on the Customer, Customer's obligations, representatives and the Banking services used in the following cases:

- the Bank is entitled to provide the information to other financial institutions under the requirements of legal acts of the Republic of Latvia;
- the Bank concludes any type of assignment, participation or other contracts on attracting financing with third parties;
- the information is transferred to companies of the Danske Bank Group;
- the provision of the information is related to issues of prevention of laundering of proceeds from crime and terrorist financing;
- the information is required by third parties supervising and auditing the Bank;
- the information is provided in accordance with the provisions of the Credit Register of the Bank of Latvia or of a register replacing it;
- under the requirements of legal acts and transaction partners the information on the Customer may be transferred to the competent EU and other national institutions for the performance of their functions;
- upon request by law enforcement bodies or in other cases stipulated in legal acts of the LR.

6.3. The Bank shall keep the right to process the Customer's or its representatives' data for the purpose of control and administration of fulfilment of obligations during the validity of the contractual relations with the Customer and after their expiry in accordance with the requirements of legal acts of the LR. Besides, the Bank shall be entitled to require and receive in a legal form such personal data on the Customer or its representatives from any third parties.

6.4. If the Customer or the Customer's representative is a natural person, the Bank shall have the right to use the natural person's data of the Customer and the Customer's representative at its disposal for the purpose of providing information on the Bank's products and services by using electronic communication means (e-mail, mobile phone messages (SMS)) or by post, as indicated in the documents submitted by the Customer.

6.5. The Customer shall have the right to refuse to receive the information related to the Bank's products and services referred to in Paragraph 6.4 of the present Conditions by notifying the Bank thereof in writing.

## **VII GENERAL PRINCIPLES OF PROVISION OF THE BANK SERVICES**

7.1. The Bank shall provide services to the Customer in accordance with the requirements of legal acts of the LR and internal documents of the Bank on the basis of mutually concluded contracts.

7.2. The Bank shall be entitled to receive remuneration and the Customer shall be obliged to pay for the services provided by the Bank to the Customer in accordance with the Pricelist unless otherwise stipulated in Contracts concluded separately between the Bank and the Customer.

7.3. The Bank shall execute operations upon the Customer's order within the limits of the available balance on the Customer's Account. If the funds on the Customer's Account are insufficient for the execution of the Customer's order, the Bank shall keep the right not to execute/process the Customer's order.

7.4. The Bank shall keep the right to collect, prior to execution of any Customer's orders and under the Pricelist, the payments due to the Bank for the services provided by the Bank from the available funds on the Customer's Account, by debiting the Customer's Accounts without acceptance and, where necessary, by converting the required amounts to the relevant currency according to the currency exchange rate set by the Bank of Latvia and applicable at the moment of debiting the funds.

7.5. The Customer shall be obliged to get acquainted with the Pricelist and to follow its changes.

7.6. The Bank shall inform the Customer of the contents of the Pricelist by displaying its print-out in the premises of Customer service centres of the Bank and by publishing its electronic version on its website: [www.danskebanka.lv](http://www.danskebanka.lv).

7.7. The Customer shall be obliged to pay to the Bank any additional costs which are not included in the Pricelist but which are justified and have been necessary for the execution or processing of the Customer's orders or Contract terms.

7.8. The Bank shall have the right to record telephone conversations of its officers with the Customer and to use such records as an evidence of the Customer's conversation with the Bank's officer.

## VIII PROCEDURES FOR EXECUTION OF MONEY TRANSFERS

### 8.1. Incoming Money transfers

8.1.1. The Bank shall execute payments or transfers of money funds to the Customer's - the Beneficiary's - Accounts in accordance with Payment orders from the Payer's bank, the Intermediary bank or the Customer.

8.1.2. If in the Customer's - the Beneficiary's - Account indicated in the Payment order any inconsistencies or deficiencies are established, the Bank shall have the right to transfer the incoming funds based only on the Beneficiary's IBAN indicated in the Payment order. The Bank shall not assume any liability for wrong incoming transfers if the Customer has specified a wrong IBAN.

8.1.3. The Bank shall be entitled not to execute a Payment order if it establishes that in the Payment order:

- 1) the Beneficiary's name, IBAN is not indicated or the indicated IBAN or name of the Beneficiary does not match the Beneficiary's IBAN or name opened with the Bank;
- 2) sufficient information on the Payer is not provided. Sufficient information includes the Payer's name; address or birth data, or the personal identity number allocated by the respective country; the account number.

8.1.4. If the Bank establishes a deficiency referred to in part two of Paragraph 8.1.3 of the Conditions, it shall have the right to execute the Payment order, to refuse it or require the necessary information from the Payer's bank not later than on the next business day.

8.1.5. If the currency of the incoming amount of money indicated in the Payment order does not correspond to the currency of the Customer's - the Beneficiary's - Account indicated in the Payment order, the Bank shall transfer the funds to the Customer's - the Beneficiary's - Account of the corresponding currency indicated in the Payment order. If the Beneficiary does not have an Account of the relevant currency, the Bank shall agree with the Beneficiary on further operations with the funds. If the Beneficiary wishes the funds of the relevant currency to be converted and transferred to any other Account of the Beneficiary, the Bank shall perform the conversion at the end of the day on which the payment has been transferred based on the currency exchange rate set by the Bank and applicable at the moment of execution of the Payment order. Transfer of money to the Beneficiary is possible also on other conditions agreed on in writing between the Beneficiary and the Bank. If the Bank cannot contact the Beneficiary on the day of receipt of the Payment order, the Bank shall be entitled to perform the conversion of the incoming payment indicated in the Payment order at the end of the day of receipt of the Payment order based on the currency exchange rate set by the Bank and applicable at the moment of execution of the Payment order, and to transfer the funds to the Beneficiary's account indicated in the Payment order.

8.1.6. The Bank as the Beneficiary's bank shall transfer the payment indicated in the Payment order to the Beneficiary's Account not later than on the business day on which the payment has been credited to the Bank's Account and when the Bank has received all the information necessary for execution of the Payment order, provided that the Payment order and all the information necessary for its execution have been submitted to the Bank within the term specified in Paragraph 8.4.6 of the Conditions.

8.1.7. If funds have been transferred to the Customer's Account by error, mistake, misspelling or other reason without a legal basis, the Bank shall be entitled to perform a correction by debiting such funds from the Account without acceptance from the Customer. The Customer shall receive the information on such activities in the Account statement. If there are no sufficient funds on the Account or if operations with the Account or the funds are restricted, the Customer shall be obliged to repay the amount received without a legal basis and not repaid, and the Bank shall have the right to debit the necessary amount from other Accounts of the Customer without prior agreement with the Customer, by converting, where necessary, the funds at the moment of transfer based on the currency exchange rate set by the Bank.

8.1.8. If funds are transferred to the Customer's Account by a mistake of the Payer, the Customer shall be obliged to cooperate with the Bank in clarifying the issue and avoiding of the consequences. The Customer undertakes to provide a written reply to Bank's request.

8.1.9. The Bank shall perform a search for the funds addressed to the Customer, but not received in the Bank, upon a written application by the Customer (the Customer shall complete the Bank's form or another appropriate application form), and after the receipt of a document certifying the Money transfer and the service fee.

### 8.2. Outgoing Money transfers

8.2.1. The Bank shall pay out or transfer funds from the Customer's - the Payer's - Account in accordance with the Customer's directions submitted by the Customer in the form of a Payment order, under the procedure set out in the present Conditions.

8.2.2. The Customer - the Payer - shall submit to the Bank a Payment order in the prescribed form specifying all the required information referred to in Paragraph 8.4.3 of the present Conditions. The Payer can personally ask help from the Bank in clarification of the transfer details and in the prevention of the above-mentioned inconsistencies and errors, and the Bank shall provide the necessary information to the Payer within its limits.

8.2.3. The Bank shall be entitled to refuse processing of the Payment order/-s of the Customer - the Payer - in any of the following cases:

- 1) there are no sufficient funds on the Payer's Account for the execution of the Payment order;
- 2) the Bank has suspicions on the authenticity of the Payment order;
- 3) the data contained in the Payer's Payment order are inaccurate, contradicting or erroneous;
- 4) the form of the Payer's Payment order does not conform to the form approved by the Bank.

8.2.4. If the Bank refuses to process a Payment order due to the reasons listed in Paragraph 8.2.3 of the present Conditions, it shall, as soon as possible, but not later than by the end of the next business day, provide or make available to the Customer - the Payer - the information on the refusal and its reasons, as well as on the procedure for correcting the errors being the basis for the refusal, unless such a provision of information is

prohibited by legal acts of the Republic of Latvia. The Bank shall be entitled to charge a commission fee for such a provision of information at the amount specified in the Pricelist.

8.2.5. Payment orders shall be processed in accordance with the procedures and within the terms specified in the Pricelist.

8.2.6. Irrespective of whether the name of the Intermediary bank is specified in the Payment order, the Bank shall be entitled to choose the Intermediary bank (the correspondent bank) at its own discretion without any Customer's consent or acceptance based on the information specified in the Payment order. If the Bank has changed the Intermediary bank specified by the Customer and such a transfer is repaid to the Bank, the Bank shall perform a repeated transfer on its own account. If the repeated transfer is returned to the Bank, the transfer amount shall be returned to the Customer's Account without returning the commission fee for the transfer.

8.2.7. If there are no sufficient funds on the Payer's Accounts for execution of the Payment order, the Bank shall not be responsible for the execution of the Payment order. If the Payer has submitted a Payment order in a certain currency for the amount exceeding Payer's available funds in this currency, the Payer shall give a separate order to the Bank to convert the funds according to the currency exchange rate set by the Bank for the respective date.

8.2.8. If the Payer has submitted several Payment orders for the total amount exceeding the Payer's available funds and has not asked the Bank to process the orders according to a certain sequence, the Bank shall be entitled to process these Payment orders in any sequence at its own discretion. The Bank shall accept the Payment order and process it as soon as there are sufficient funds on the Payers Account and if none of the cases stipulated in Paragraph 8.2.3 of the Conditions has occurred. A Payment order shall be valid for 10 calendar days including the date of completion specified in the Payment order.

8.2.9. The Bank shall perform corrections, cancellation of or a search for the Payer's transfer only upon receipt of an appropriate written application from the Payer. If it is established that the Bank has mistaken, the collected fee shall be returned to the Payer.

### **8.3. Authorisation of Money transfers**

8.3.1. The Customer gives its consent (performs authorisation) to a Money transfer at the moment of submission of the Payment order to the Bank under Paragraph 8.4.2 of the present Conditions.

8.3.2. The Customer may withdraw his/her consent at any time, but not later than by the term specified in Paragraph 8.4.7 of the present Conditions. Also consent to execution of a range of payments can be withdrawn. Thereby any further payments shall be deemed unauthorised.

### **8.4. Procedures for submission, execution and revocation of Payment orders**

8.4.1. The Customer - the Payer - can submit a Payment order to the Bank:

- 1) in a paper form, by personal appearance at the Bank's premises or via facsimile, if the Customer and the Bank have agreed in writing on acceptance of documents by fax;
- 2) electronically using the E-bank services, if the Customer has concluded a Contract with the Bank on the use of the E-bank;
- 3) in the form of a SWIFT report, if the Customer has concluded a Contract with the Bank on the use of such a service.

8.4.2. The moment of receipt of a Payment order shall be the moment when the Payment order submitted by the Payer, the Beneficiary or via the Beneficiary is received by the Bank and accepted for processing.

If the Payment order has been submitted in a paper form or by facsimile, it shall be deemed to be received at the moment of its signing by the Bank's officer.

A Payment order submitted electronically shall be deemed to be received at the moment when the Customer, using an authorisation tool [code calculator, code card] completes and signs the Payment order in the E-bank in accordance with the provisions on the use of the E-bank.

The Payment orders submitted in the form of SWIFT reports shall be deemed to be received at the moment when the Bank receives the SWIFT report in accordance with the provisions on the use of SWIFT reports.

8.4.3. The following information shall be included in a Payment order:

- 1) the date;
- 2) the type of the payment (urgency): standard, urgent or express;
- 3) details of the Payer: the name (for a legal person) or the name and surname (for a natural person); the account number, the IBAN code; as well as other information required by the Bank;
- 4) the currency and amount;
- 5) the full name of the Beneficiary's bank and the SWIFT code [if the payment is transferred to Member States of the European Union or the European Economic Area] or the national code of the bank if the payment is transferred to other countries;
- 6) the full name and SWIFT code of the Intermediary bank;
- 7) details of the Beneficiary: the name (for a legal person) or the name and surname (for a natural person); the account number or IBAN [if the payment is transferred to Member States of the European Union or the European Economic Area]; the Beneficiary's country code; as well as other information required by the Bank;
- 8) the details of the payment;
- 9) the procedure for payment of the commission fee under Paragraph 8.5.2 of the Conditions;
- 10) the external payment code, if the Beneficiary's country code is not LV.

8.4.4. If the Customer - the Payer - has not specified the type of the transfer (urgency) when submitting a Payment order to the Bank the Payment order shall be executed according to the general procedure [considered as standard].

8.4.5. If the moment of submitting the Payment order is not on the Bank's business day or the Payment order is submitted after the end of a business day, the Payment order shall be deemed to be received on the next business day.

8.4.6. Acceptance of Payment orders shall be ceased on 4:30 p. m. each business day of the Bank (if a business day is shortened under regulatory enactments of the LR, the indicated time shall also be shortened accordingly), except where other term for the submission of Payment orders have been set in the Pricelist for certain types of Payment orders, and all the Payment orders submitted after that time shall be deemed to be received on the next business day. Payment orders shall be accepted and processed or executed by the Bank in accordance with the Pricelist.

8.4.7. Payment orders shall be irrevocable from the moment the Bank receives the Payment order in accordance with Paragraph 8.4.2 of the Conditions.

8.4.8. Upon a written request by the Customer the Bank shall have the right, but no the obligation to make a decision on revocation of the Payment order.

8.4.9. If the Bank, in accordance with Paragraph 8.4.8 of the Conditions, makes a decision on revocation of a Money transfer, the Bank shall at its utmost efforts revoke the Money transfer:

1) if the Bank has accepted, but not yet processed the Customer's - the Payer's - Payment order, the Bank shall take all the necessary steps to cancel such a Payment order. The payment amount indicated in the non-processed Payment order shall be returned by the Bank to the Customer without delay after the cancellation of the Payment order;

2) if the Bank has processed the Customer's - the Payer's - Payment order, the Bank shall at its utmost efforts cancel such a Payment order. The Bank shall repay the recovered payment amount to the Customer - the Payer - only when it has verified that the Payment order would not be executed in any of the stages of processing the Payment order both in the Bank itself and outside it and after the Bank has recovered these funds from the Beneficiary, the Beneficiary's bank or the Intermediary bank.

3) If the Customer - the Payer - submits a revocation of an already executed Payment order the beneficiary of which is the Bank's Customer - the Beneficiary, the Bank shall attempt to contact the Customer - the Beneficiary - to obtain his/ her consent to the return of the transfer to the Customer - the Payer. The transfer shall be returned to the Customer - the Payer - only after receipt of the Customer's - the Beneficiary's - consent.

8.4.10. The Bank shall have the right to apply a commission fee for a revocation of a Payment order at the amount set in the Pricelist.

#### **8.5. Commission fees for Money transfers**

8.5.1. The Bank shall collect commission fees for Money transfers in accordance with the procedures stipulated in the present Conditions and the Pricelist.

8.5.2. The Bank shall collect commission fees for Money transfers in accordance with the following procedures:

1) if the Customer submits to the Bank a Payment order with the indication "SHA", all the Bank's commission fees shall be paid by the Payer, and all the other commission fees of Intermediary banks and the Beneficiary's bank related to execution of the Payment order shall be paid by the Beneficiary;

2) if the Customer submits a Payment order with the indication "OUR", all the commission fees incurred during the process of execution of the Payment order (those of Intermediary banks and the Beneficiary's bank) shall be paid by the Payer. The Bank shall have the right to deduct the above commission fees from any Accounts of the Payer with the Bank. The Bank shall dispatch the transfer to the Intermediary bank or the Beneficiary's bank with the indication "OUR" by ordering the Beneficiary's bank to pay the full amount of the payment to the Beneficiary. The Bank's liability shall be limited by this provision. The Bank shall not be liable if the Intermediary bank or the Beneficiary's bank has not fulfilled the Bank's instructions or if the transfer has not been received in full due to other reasons other than the Bank's fault.

8.5.3. In the case provided for in part one of Paragraph 8.5.2 of the present Conditions the Bank shall have the right to collect commission fees from the amount of the received Money transfer prior to crediting the payment amount to the Beneficiary's Account within the Bank. In such a case, in the information provided to the Beneficiary the full payment amount and the collected fees shall be included.

8.5.4. If the Customer has not specified in the Payment order the type of the commission fee indicated in Paragraph 8.5.2 of the present Conditions, the Bank shall apply the commission fee type "SHA".

8.5.5. If the Beneficiary's bank is located in a Member State of the European Union or the European Economic Area and the Money transfer is made in EUR or any other national currency of a Member State without converting the currency at the time of the transfer, only the commission fee type "SHA" shall be applicable to such a transfer. If the Customer has indicated another commission fee type in the Payment order, the Bank shall have the right to change the commission fee type to "SHA" unilaterally without Customer's consent. If the Bank as the Payer's bank covers the commission fee for the Intermediary bank's services at the moment of execution of the Payment order, the Bank shall have the right to deduct the commission fee from any Account of the Payer with the Bank.

#### **8.6. Provision of information on incoming Money transfers**

8.6.1. After an incoming Money transfer has been transferred to the Beneficiary's Account, the Bank shall provide the following information to the Beneficiary:

1) an indication (reference) allowing the Beneficiary to identify the payment and, if possible, also the Payer, as well as any other information transferred together with the payment;

2) the amount of the payment in the currency in which the Beneficiary's Account has been credited;

3) the amount of the fees applicable to the payment and their distribution, or interest to be paid by the Beneficiary;

4) if currency conversion has been performed, the currency exchange rate used by the Bank as the Beneficiary's bank in the payment, and the amount of the payment before the currency conversion;

5) the crediting value date.

8.6.2. If the Beneficiary has concluded a Contract with the Bank on the use of the E-bank, the information referred to in Paragraph 8.6.1 of the present Conditions shall be provided by the Bank to the Beneficiary electronically without delay, as soon as the incoming Money transfer is credited to the Beneficiary's Account within the Bank.

8.6.3. If the Beneficiary has not concluded a Contract with the Bank on the use of the E-bank, the information referred to in Paragraph 8.6.1 of the present Conditions shall be provided by the Bank to the Beneficiary in a paper form by means of an Account statement. The Beneficiary can receive the Account statement for the previous calendar month at the Bank free of charge upon request once a month. The Bank shall be entitled to charge a commission fee for the request for the information provided for in this paragraph, if such information is requested by the Beneficiary more often than once a month.

#### **8.7. Provision of information on outgoing Money transfers**

8.7.1. After the amount of the Money transfer has been debited from the Payer's Account, the Bank shall provide the following information to the Payer:

1) an indication (reference) allowing the Payer to identify each Money transfer and, if possible, information on the Beneficiary;

2) the amount and currency of the Money transfer;

3) the applicable commission fees;

4) if currency conversion has been performed, the currency exchange rate and the amount of the Payment transfer after the currency conversion;

5) the debiting value date.

8.7.2. If the Payer has concluded a Contract with the Bank on the use of the E-bank, the information referred to in Paragraph 8.7.1 of the present Conditions shall be provided by the Bank to the Payer electronically without delay.

8.7.3. If the Payer has not concluded a Contract with the Bank on the use of the E-bank, the information referred to in Paragraph 8.7.1 of the present Conditions shall be provided by the Bank to the Payer in a paper form by means of an Account statement. The Payer can receive the Account statement for the previous calendar month at the Bank free of charge upon request once a month. The Bank shall be entitled to charge a commission fee for the request for the information provided for in this paragraph, if such information is requested by the Payer more often than once a month.

#### **IX SECURITY FOR BANK'S CLAIMS TOWARDS THE CUSTOMER**

9.1. If the Customer fails to fulfil any of the obligations arising from any Contracts concluded between the Bank and the Customer in due time, the Bank shall be entitled to satisfy such a claim by imposing a Financial pledge without prior notification to the Customer.

9.1.1. If the subject of the Financial pledge is money funds, the Bank shall be entitled to debit (transfer) the necessary amount from any Account of the Customer within the Bank or from the funds that are otherwise due to the Customer, by converting, if necessary, the funds at the moment of the transfer according to the currency exchange rate set by the Bank and accordingly reducing or completely extinguishing the Customer's obligations with the Bank.

9.1.2. If the subject of the Financial pledge is financial instruments, the Bank shall be entitled to sell the financial instruments held on any of the Customer's Accounts within the Bank or, at the Bank's discretion, alienate the financial instruments for its own benefit for their market value, accordingly reducing or completely extinguishing the Customer's obligations with the Bank from the obtained funds and transferring the excess amount, if there is any after the extinguish of the Bank's claims, to the Customer's account.

#### **X DISCHARGE OF DEBTS BY COUNTERCLAIMS. ASSIGNMENT**

10.1. The Bank shall be entitled to extinguish any of the Customer's claims towards the Bank by its counterclaim, by converting, if necessary, the Customer's counterclaim to the currency of the Bank's claim at the moment of transfer according to the currency exchange rate set by the Bank.

10.2. The Bank shall be entitled to transfer (assign) its right of claim towards the Customer to third parties without Customer's consent.

#### **XI CASH OPERATIONS**

11.1. In case of deposit or disbursement of cash the Bank shall perform identification of the Customer or his/her authorised person in accordance with the provisions of Section IV of the present Conditions.

11.2. Cash deposits or disbursements shall be performed in accordance with the procedures laid down in the Pricelist.

11.3. The Bank shall be entitled to require the Customer to apply for a cash disbursement in advance. If the Customer has not applied for a cash disbursement in due time, the Bank shall be entitled to impose restrictions on the amount of the cash to be disbursed.

11.4. The person having made cash deposit based upon which transfer of the cash to the Account of the Bank's Customer has been made may withdraw the deposit only upon the consent of the recipient of the funds.

11.5. The Bank shall buy and sell foreign currencies in accordance with the currency exchange rates set by the Bank. The Bank shall be entitled to impose restrictions on purchase and sales of certain currencies.

11.6. If the Bank is not able to disburse the amount in a foreign currency due to the Customer in full, the difference shall be disbursed in Latvian lats in accordance with the currency exchange rate set by the Bank which can be found on the Bank's website: [www.danskebanka.lv](http://www.danskebanka.lv), or at the Bank's customer service centres.

## XII CURRENCY CONVERSION

12.1. Currency conversion operations shall be performed by the Bank in accordance with the procedures laid down in the present Conditions or contracts concluded between the Bank and the Customer.

12.2. The Customer shall submit an order for a currency conversion operation to the Bank in writing by 5 p.m. on the Bank's business day (or by 7 p.m., taking into account the restrictions imposed by the Bank) at the latest. By signing the currency conversion order, the Customer agrees to the currency exchange rate offered by the Bank. The Bank shall execute the submitted currency conversion orders on the same day. If currency conversion is performed on the basis of a mutually concluded Contract, the currency shall be converted in accordance with the provisions of such a Contract.

## XIII LIABILITY OF THE PARTIES

13.1. The Customer shall assume full liability for the legality of all the transactions executed via the Bank.

13.2. The Customer's liability and rights to compensation for damages and repayment of funds shall be established in accordance with the provisions of Sections 87, 88 and 89 of the Payment Services Law or its substitutive legal acts.

13.3. The Bank shall be responsible for the legality of the services provided and acts of its employees, as far as they have acted within the Bank's working hours, within the framework of their official duties and execution of directions by the Bank's management. The Bank's liability in relation to execution of payments shall be established in accordance with the provisions of Sections 86 and 89 of the Payment Services Law or its substitutive normative acts.

13.4. The Bank shall not be liable for losses caused to the Customer as a result of acts by third parties, except in cases when there has been a gross negligence by the Bank in fulfilling the Customer's directions.

13.5. The Bank shall not be liable for losses caused to the Customer if the Customer does not comply with the present Conditions and has not got fully acquainted with them or amendments thereof.

13.6. The Parties shall not be liable for non-fulfilment of obligations in case of force majeure conditions which the Parties could not foresee nor prevent by applying reasonable measures.

13.7. The Customer shall be obliged to get acquainted carefully with the present Conditions, to comply with them and to follow their changes.

13.8. The Bank shall be entitled to amend the present Conditions unilaterally. The Bank shall notify the Customer of amendments to the Conditions not later than 2 (two) months prior to their entry into force by displaying the information of such amendments in the Bank's customer service centres during the Bank's working hours and on the Bank's website: [www.danskebanka.lv](http://www.danskebanka.lv). The Customer shall have the obligation to get acquainted with amendments to the Conditions.

13.9. Amendments to the present Conditions shall come into force 2 (two) months after their display at the Bank's customer service centres and on the Bank's website: [www.danskebanka.lv](http://www.danskebanka.lv), unless a longer term for entry into force is provided for in the amendments. The Bank shall not be liable for the Customer's losses and other extra costs if the Customer has not acquainted him/herself with the amendments to the present Conditions.

13.10. If the Customer does not agree to the respective amendments to the Conditions, he or she shall have the right to submit a written application to the Bank on termination of the legal relations arising from the Contracts concluded with the Bank by the moment the respective amendments come into force. If the Bank has not received the written application referred to in this paragraph of the Conditions by the day of coming into force of the amendments to the Conditions, it shall be deemed that the Customer has fully agreed to the respective amendments.

13.11. The Customer shall be entitled to submit complaints on the Bank services in accordance with the Procedures for Review of Customers' Complaints and Recommendations available on the Bank's website: [www.danskebanka.lv](http://www.danskebanka.lv).

## XIV OTHER PROVISIONS

14.1. With regard to the conditions related to payment services and not stipulated in the present Conditions and the Contracts concluded between the Bank and the Customer the provisions of the Payment Services Law or of legal acts replacing it shall be applicable.

14.2. If any of the paragraphs or provisions of the Conditions contravene with legal acts of the Republic of Latvia, the latter shall prevail. If any of the parts (paragraphs or sections) of the present Conditions becomes illegal or invalid due to amendments in legal acts of the LR, the respective part of the Conditions shall be invalid only within the framework of the particular prohibition and shall not affect the binding power of the other parts of the Conditions.

14.3. The present Conditions shall have the same legal power as the provisions of other Contracts concluded between the Bank and the Customer. In cases of inconsistencies between a provision of the present Conditions and a provision of a Contract regarding a certain Banking service, the provision included in the Contract shall be applicable unless otherwise specified in the Contract.

14.4. The present Conditions shall replace the previous General Conditions of Transactions issued by the Bank and shall be applicable to all the Customers using the Banking services.

14.5. Any disputes and disagreements arising between the Parties shall be resolved by mutual agreement between the Parties, and if the Parties cannot agree, these shall be submitted for resolution to the court of the LR having the respective jurisdiction. Extrajudicial settlement of claims shall be performed in accordance with the procedures provided for in Sections 105 un 106 of the Payment Services Law.