

PROVISIONS FOR CURRENT ACCOUNT

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1. Terms and Abbreviations Used

- 1.1. **Bank** – AS "PNB Banka", unified registration No. 40003072918, registered address: 15-2 Elizabetes Street, Riga, LV-1010; email address: info@pnbbanka.eu; website: www.pnbbanka.eu, the supervision of the Bank is carried out by the Financial and Capital Market Commission (1 Kungu Street, Riga, LV-1050; email address: fktk@fktk.lv).
- 1.2. **Client** – a person for whom a Current Account is opened with the Bank or who has expressed a wish to open a Current Account.
- 1.3. **Agreement** – an agreement entered into by and between the Bank and the Client upon the request of the Client, using the form approved by the Bank, on the opening and servicing of a Current Account.
- 1.4. **Current Account** – the Client's current account with the Bank, which is intended for the storage of funds for an indefinite period, as well as for the performance of settlements.
- 1.5. **Provisions** – these Bank's "Provisions for Current Account", which are Annex 1 to the Bank's "General Provisions for Transactions" (GPT).
- 1.6. If any terms or abbreviations are used in these Provisions which are not defined in this section of the Provisions, such terms or abbreviations shall be interpreted in accordance with the terms and abbreviations defined in the GPT.

2. General Provisions

- 2.1. These Provisions shall apply to legal relations between the Bank and the Client with regard to the Services related to the opening and using of a Current Account, performance of operations/transactions in a Current Account, as well as the closing of a Current Account.
- 2.2. The Bank shall ensure the possibility of becoming acquainted with these Provisions by publishing them on the Bank's website www.pnbbanka.eu, in PNB Internetbanka and in Client Service locations.
- 2.3. These Provisions in Russian and English shall be deemed as unofficial translations from Latvian. In the event of contradictions between the text of these Provisions in Latvian and in another language, these Provisions in Latvian shall apply.
- 2.4. Prior to entering into the Agreement, the Client shall undertake to become acquainted with the GPT, these Provisions and Rates & Fees, certifies that he/she understands and agrees to the application of the GPT, these Provisions and Rates & Fees to the relations of the Parties.

3. Opening of a Current Account and Entering into the Agreement

- 3.1. The Bank shall open a Current Account for the Client based on a signed Agreement.
- 3.2. Upon the request of the Client, the Bank shall issue a Statement of Account or a statement on the opening of a Current Account to the Client.
- 3.3. For the opening, servicing and closing of a Current Account, as well as for other services related to the opening, servicing and closing of a Current Account and operations/transactions performed in a Current Account, the Bank shall apply to the Client the Commission Fee specified in the Rates & Fees.
- 3.4. Following the receipt of the signed Agreement and other necessary documents from the Client, as well the Commission Fee, if such is envisaged in the Rates & Fees, the Bank shall have the right to examine the documents submitted and filled in by the Client for opening a Current Account and to adopt a decision on the opening of a Current Account or on rejection to open a Current Account, without explaining the reason to the Client, within 10 (*ten*) Bank's business days to residents of the Republic of Latvia, or longer in certain cases, and within 30 (*thirty*) Bank's business days to non-residents of the Republic of Latvia, or longer in certain cases.
- 3.5. The Agreement shall be deemed as concluded and entered into force upon the opening of a Current Account. GPT, these Provisions, and Rates & Fees shall be integral parts of the Agreement. The Agreement shall be entered into for an indefinite period.

- 3.6. Following the opening of a Current Account, if the Client requests, the Bank shall issue an identification card to the Client.
- 3.7. If at least one Current Account or another type of account has already been opened for the Client with the Bank and he/she wants to open another Current Account or to restore the closed Current Account (except if cooperation with the Client has been discontinued upon the initiative of the Bank), the Client shall enter into a new Agreement. The Client's compliance shall be assessed and a decision on the opening of a Current Account or the restoration of its operation shall be adopted by analogy to the procedures for opening Current Accounts for new Clients and the Client shall be requested to provide documents in accordance with the Bank's requirements, the GPT, these Provisions and Applicable Law.
- 3.8. The Client may apply for opening a Current Account linked to a multi-currency Current Account in a separate currency (mono-currency) by submitting an application in paper or electronic form to the Bank, using the PNB Internetbanka, if the Client is connected to the PNB Internetbanka and this system ensures such an opportunity. The Client does not need to enter into a new Agreement. Based on the received application, the Bank shall open a linked account in the currency specified by the Client. The Client shall use the details of the mono-currency Current Account, if the Payments are made in the relevant currency.

4. Conditions of Use of a Current Account

- 4.1. The Client may handle the funds available in his or her Current Account in accordance with the GPT.
- 4.2. All operations in the Current Account shall be specified in the Statement of Account pursuant to the procedures laid down in the GPT, observing the requirements set forth in the Applicable Law.
- 4.3. The Client shall have the following duties:
 - 4.3.1. to submit to the Bank immediately all the information, explanations and documents requested by the latter on the activities and financial situation of the Client and its beneficial owner, on the transactions, the payment for which is made using the Current Account, on the goals of financial transactions ordered to the Bank, and on the origin of funds;
 - 4.3.2. to immediately notify the Bank of any changes to the documents and information submitted to the Bank.
- 4.4. The Client shall be liable for the truthfulness and completeness of information provided to the Bank.
- 4.5. The Bank shall not be liable for the Client's losses or expenses which can occur in the event of provision of late, false or incomplete information.
- 4.6. The Bank shall be entitled to request the Client – legal entity to provide additional information necessary for servicing the Current Account, setting a certain deadline for the provision of additional information. In the event information is not provided within the set deadline, the Bank shall be entitled to carry out verification in the public register available in the country of registration of the Client – legal entity in order to receive information, deducting the Commission Fee specified in the Rates & Fees, if any.
- 4.7. The Bank shall have the right to carry out the enhanced supervision and analysis of the Client's economic activities in accordance with the requirements set forth in the Applicable Law and Bank's internal regulatory enactments in the field of Client service, deducting the Commission Fee specified in the Rates & Fees, if any.
- 4.8. The Client shall have the duty to constantly monitor the status of the Current Account and check the correctness of operations performed in the Current Account and, once the Client has detected an Unauthorised Payment, but no later than within 13 (*thirteen*) months, but if the Client is a legal entity, within 3 (*three*) months following the writing-off of the funds from the Current Account or the transfer of the funds to the Current Account, to inform the Bank about the relevant Unauthorised Payment in written (paper) form or electronic form, using PNB Internetbanka. If the Client does not submit a claim on an Unauthorised Payment in the Current Account to the Bank within the set deadline, the Bank has the right to deem that the Client recognises all operations performed in the Current Account and the available balance of funds as correct.
- 4.9. If the Client submits a justified claim in accordance with Clause 4.8 of these Provisions, the Bank shall refund the amount of the Unauthorised Payment to the Client or restore the condition the Client's Current Account, from which this amount was written off, to the condition before the performance of the Unauthorised Payment.

5. Transfer of Funds to the Current Account

- 5.1. The funds paid in cash or transferred in non-cash shall be credited to the Current Account.
- 5.2. The crediting of funds to the Current Account shall be carried out without additional harmonisation with the Client, unless the Client and the Bank have agreed otherwise in writing.
- 5.3. The Bank shall have the right to refrain from crediting funds to the Current Account in the following cases:
 - 5.3.1. in cases specified in Clause 3.11 of GPT;
 - 5.3.2. if the Client violates the provisions of Clause 4.3 of these Provisions;
 - 5.3.3. if the funds addressed to the Client were sent by a person, with whom the Bank does not cooperate in accordance with the requirements set forth in the Applicable Law;
 - 5.3.4. in other cases envisaged in the Applicable Law.
- 5.4. When crediting funds to the Current Account, the Bank shall carry out the conversion of funds according to the currency exchange rate set by the Bank on the day of crediting of the funds, where applicable, if the currency of the funds to be credited differs from the currency of the Current Account or in accordance with the provisions of Section 6 of GPT.

- 5.5. If the funds are erroneously credited to the Current Account due to the Bank's error, the Bank shall have the right to debit these funds directly from the Current Account, but if the funds are erroneously credited due to the payer's error, the writing-off of the funds shall be possible only upon the consent from the Client, except as provided by the Applicable Law.
- 5.6. If the funds are erroneously credited the Current Account due to the payer's error, the Client shall have the duty to cooperate with the Bank for eliminating the consequences of the error and to provide the Bank with all the information and documents requested thereby, which are related to the erroneously credited funds and their refund. If the Client does not observe this duty, the Bank shall have the right to block the erroneously credited funds until the establishment of circumstances.

6. Transfer (Writing-off) of Funds from the Current Account

- 6.1. For the purposes of transferring funds from the Current Account:
 - 6.1.1. the Client shall precisely fill in the Payment Order form and submit it to the Bank in paper or electronic form, using the Remote Service;
 - 6.1.2. the Payment Order shall be drawn up in accordance with the provisions of GPT Section 6 and contain information necessary for execution. The Client shall be liable for the correctness and completeness of the specified information.
- 6.2. The Bank shall write off funds from the Current Account based on the Payment Order, as well as in cases referred to in Clause 6.5 of these Provisions. The Payment Order shall be deemed as received by the Bank on the day on which it is submitted, if this is a Bank's business day and the Payment Order has been submitted during the Bank's working hours. If the Payment Order is submitted on the Bank's business day after the end of the Bank's working hours or on the day other than the Bank's business day, the Payment Order shall be deemed as received on the next Bank's business day. If the Client agrees with the Bank that the performance of a transfer starts on a particular day or at the end of a particular term, or on the day when the Client has transferred the necessary amount of funds to the Bank, the day on which an agreement is reached shall be deemed as the moment of receipt of the Payment Order.
- 6.3. The Client shall authorise the performance of the transfer by submitting and signing the relevant Payment Order in paper or electronic form (signing by means of an Electronic Signature). The Bank shall have the right to deem that the Payment Order submitted and drawn up pursuant to the aforementioned procedures has been authorised, unless the Client has notified pursuant to the procedures laid down in the GPT and these Provisions that the Payment executed according to the relevant Payment Order is an Unauthorised Payment. The Payment executed in accordance with the authorisation given or the rights granted by the Client to the Bank in accordance with the Agreement entered into by and between the Client and the Bank, these Provisions and the GPT shall be deemed as authorised.
- 6.4. The terms of transfer of funds and the amounts of Commission Fees for the transfers of funds are specified in the Rates & Fees and/or in a separate written agreement entered into by and between the Bank and the Client on the amount and payment procedure of the Commission Fee.
- 6.5. The Bank shall have the right to perform the writing-off of the funds from the Current Account without prior harmonisation with the Client and without receiving the Client's consent or permission in the following cases:
 - 6.5.1. in cases provided for in the Applicable Law;
 - 6.5.2. in cases provided for in the GPT, Service Agreements and Provisions of Services;
 - 6.5.3. in the case specified in Clause 5.5 of these Provisions;
 - 6.5.4. for the performance of any Client's obligations towards the Bank, if it is provided for in the GPT, the Service Agreement entered into by and between the Bank and the Client, or another binding document.
- 6.6. The Bank shall not execute the Payment Order in the following cases:
 - 6.6.1. the term of the right of representation or authority of the Client's representative has expired;
 - 6.6.2. the Bank is unable to identify the Client;
 - 6.6.3. in cases specified in Clause 3.11 of GPT;
 - 6.6.4. if the Client has not submitted to the Bank all the documents or information requested by the latter;
 - 6.6.5. if debit operations have been suspended in the Client's Current Account in accordance with the Applicable Law;
 - 6.6.6. in cases specified in Clause 6.6 of GPT.
- 6.7. The Client shall have the right to submit the revocation of the Payment Order to the Bank or report an adjustment in the form of a written application (in paper or electronic form, using PNB Internetbanka, if this system ensures such an opportunity) before the commencement of execution of the Client's Payment Order. The Bank shall be entitled to accept the fulfilment of the Payment Order revocation or adjustment also after the commencement of execution of the Payment Order, but in this case the Bank shall not guarantee the fulfilment of the Payment Order revocation or adjustment.
 - 6.7.1. If the Client has agreed with the Bank on the moment when the Payment Order is deemed as received with the Bank, the Client shall have the right to revoke this Payment Order no later than by the end of the Bank's business day, which is followed by the Bank's business day on which the funds will be written off from the Account in accordance with the agreement.
 - 6.7.2. If the revocation of the Payment Order or amendments to the provisions thereof are submitted following the writing-off of the funds specified in the Client's Payment Order from the Current Account, the Bank shall address the revocation of the Payment Order or amendments to the provisions thereof to the relevant recipient's bank or the

correspondent bank involved in the operation. In this case, the Bank shall not guarantee the fulfilment of the Payment Order revocation or amendments to the provisions thereof and the refund of the funds. If the amount of funds specified in the Payment Order has been credited to the recipient's account, its refund shall be possible only upon the consent of the recipient.

- 6.7.3. The Bank shall credit the amount of funds specified in the Payment Order to the Current Account or issue it in cash to the Client only after the Bank has received it from the recipient, recipient's bank or correspondent bank.
- 6.7.4. In the event of Payment Order revocation or amendments to the provisions thereof, the Commission Fee for the transfer of the funds shall not be refunded to the Client, as well as an additional Commission Fee shall be collected for the revocation of the Payment Order or amendments to the provisions thereof in accordance with the Rates & Fees.
- 6.8. The Bank shall introduce amendments to the provisions of the Client's Payment Order and investigate the transfer based on a written application of the Client.

7. Correspondent Banks

- 7.1. In executing all the Payments addressed to the Client or Payments made by the Client (except for the Bank's inner transfers), the accounts of the relevant correspondent bank specified on the list of correspondent banks approved by the Bank, which available on the Bank's website www.pnbbanka.eu, shall be used, if necessary. The Bank may introduce changes to the list of correspondent banks at its own discretion.
- 7.2. In certain cases, in executing Payments made by the Client, the accounts of a correspondent bank, which are not included on the Bank's list of correspondent banks, may be used. In this case, a special Bank's Commission Fee may be applied to the transfer.
- 7.3. The Client shall undertake all the risks arising from currency exchange restrictions, taxes, duties and other payments applicable in the relevant country, as well as from changes to the laws and regulations of the relevant country, court judgements, rulings of other institutions and the central bank, due to which the Bank or the Client may suffer losses.
- 7.4. In executing an interbank Payment, it shall be deemed that the Bank has fulfilled obligations arising from the Payment Order, observing these Provisions and Applicable Laws, once the relevant transfer has been written off from the Bank's correspondent account of the relevant currency. The Bank shall not be liable for the crediting of the relevant amount to the recipient specified in the Payment Order.
- 7.5. The Bank shall not be liable that the correspondent bank, foreign intermediary bank or recipient's bank has failed to fulfil the Bank's instructions for the performance of the transfer, or the transfer has not been received in full due to other reasons beyond the Bank's control.

8. Provisions for Depositing and Withdrawing Cash

- 8.1. The depositing of cash to the Current Account shall be accepted from both the Client and any other person without additional agreement with the Client and shall be drawn up and certified by a cash income order, one copy of which shall be kept by the Bank and the other shall be issued to the person depositing cash.
- 8.2. For the purposes of receiving cash from the Current Account, the Client – legal entity may use the Bank's cheque book or the Bank's single-time money cheque, which the Bank issues to the Client upon the request thereof and which are drawn up in accordance with the Bank's requirements, as well as giving the relevant orders to the Bank, using PNB Internetbanka, if this system ensures such an opportunity. The Commission Fee for the issue of the Bank's cheque book and the use of the Bank's single-time money cheque is specified in the Rates & Fees.
- 8.3. The Bank shall have the right to refrain from executing a Payment Order for the withdrawal of cash from the Current Account, if there is no sufficient amount of funds for withdrawal and the payment of the Commission Fee available in the Current Account, as well as in cases specified in Clause 6.5 and 6.6 of these Provisions.
- 8.4. Prior to the payout of cash, the Bank shall carry out the identification of the Client or cash recipient. In the event the Bank is unable to carry out the identification of the Client or cash recipient, the Bank shall not pay out cash.
- 8.5. The Bank shall have the right to reject the depositing of banknotes or coins of the European Central Bank to the Current Account, if they have obvious damages or they do not comply with the solvency requirements set forth by the European Central Bank or the Bank of Latvia, as well as the depositing of damaged foreign banknotes or coins.

9. Closing of a Current Account

- 9.1. The Client shall have the right to refuse from the use of a Current Account by submitting to the Bank an application in the Bank's standardised form for the closing of a Current Account. Upon closing the Current Account, the Client shall settle accounts with the Bank in full for the provided Services.
- 9.2. The Client shall have the duty to specify the procedures for paying out the balance of funds in the application for the closing of a Current Account. Upon receiving the Client's application for the closing of a Current Account, the Bank shall directly debit from the funds available in the Current Account all the Commission Fees due to the Bank and all other amounts necessary for the fulfilment of other Client's obligations towards the Bank, including for the provided Services, if any.
- 9.3. Upon receiving an application for the closing of a Current Account, the Bank shall no longer accept orders for the performance of operations in the Current Account, except orders for the transfer of the funds remaining in the Current Account from the Current Account or their payout in cash.

- 9.4. If the Client submits an application for the closing of a Current Account to the Bank, it shall be deemed that the Client refuses from all the Current Accounts linked to the Current Account and the Services, for the provision of which the Current Account is necessary. In this case, the Bank shall discontinue to provide these Services to the Client in accordance with the GPT and the conditions and procedures included in the relevant provisions for Service, assuming that the Client has also applied for the termination of these Service Agreements.
- 9.5. The Current Account shall be closed following the termination of all the Service Agreements entered into by and between the Bank and the Client, in which the Current Account is necessary for the provision of the Services.
- 9.6. The Bank shall be entitled to close the Current Account or suspend the performance of all operations or certain operations determined by the Bank in the Current Account without warning the Client in the following cases:
- 9.6.1. no operations are performed in the Current Account for 2 (*two*) years in relation to the Client – individual, who is a resident of the Republic of Latvia, or for 6 (*six*) months in relation to the Client – individual that is a non-resident of the Republic of Latvia, and the balance of funds in the Current Account is equal to 0 (*zero*), as well as the Client has no other Services, the provision of which requires the Current Account;
- 9.6.2. no operations are performed in the Current Account for 2 (*two*) years in relation to the Client – legal entity, who is a resident of the Republic of Latvia, or for 6 (*six*) months in relation to the Client – legal entity that is a non-resident of the Republic of Latvia, and the balance of funds in the Current Account is equal to 0 (*zero*), as well as the Client has no other Services, the provision of which requires the Current Account;
- 9.6.3. in cases specified in Clause 3.11 of GPT;
- 9.6.4. in other cases envisaged in the Applicable Law.
- 9.7. The Bank shall not be liable for the consequences of exercising or not exercising of the Bank's rights specified in Clause 9.6 of these Provisions.
- 9.8. In the event the Bank closes a Current Account in cases referred to in Clause 3.11 of GPT, the Client shall have the right to receive the funds remaining in the Current Account pursuant to the procedures specified in the Applicable Law. The Bank shall have the right to deduct the Commission Fee for the storage of the remaining funds in the Current Account in accordance with the Rates & Fees. Following the closing of the Current Account, the Agreement shall be terminated, unless the Client has non-fulfilled contractual obligations towards the Bank.

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