

PROVISIONS FOR CURRENCY PURCHASE AND SALE SERVICES

Table of Contents

1. Terms and Abbreviations Used	1
2. Scope of Provisions.....	1
3. General Provisions for Conclusion of a Transaction	2
4. Collateral Provided for the Transactions.....	3
5. Refusal to Provide the Currency Purchase or Sale Service	3

1. Terms and Abbreviations Used

- 1.1. **Voice Password** – password, incl. Single Voice Password to be used for Client identification over the phone. Unless the Client has instructed the Bank otherwise, the unique identification code issued to the Client by the Bank (upon opening of the Account) shall be considered the Voice Password.
- 1.2. **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).
- 1.3. **Business Day** – the day when both Latvian and foreign banks are open for carrying out financial transactions with the relevant currencies.
- 1.4. **Transaction** – a non-cash currency purchase and sale transaction with a Value Date carried out in the Account and the principal conditions for which are laid down in Clause 3.10.1 of these Provisions.
- 1.5. **PNB Internetbanka** – the automated system of the Bank for remote access to the Account; rights to use this system have been granted to the Client by the Bank in accordance with the procedure laid down in GPT and the conditions for use of which are stated in the GPT.
- 1.6. **Client** – a person that uses, has used, or has expressed the wish to use the currency purchase or sales services provided by the Bank.
- 1.7. **Account** – the Client's Current or Card Account in the Transaction currency.
- 1.8. **PNB Chat** – the electronic communication system of the Bank; the rights to use which have been granted to the Client by the Bank and the conditions for use of which are stated in the GPT and the Annex thereto "Provisions for Remote Services".
- 1.9. **PNB Trade** – the automated trading system of the Bank within PNB Internetbanka granting the Client the rights to conclude transactions with the Bank, the provisions for the use of which are laid down in GPT and annex "Provisions for Remote Services" thereto.
- 1.10. **PNB Vision** – the automated system of the Bank for remote access to the Account; rights to use this system have been granted to the Client by the Bank in accordance with the procedure laid down in GPT and the conditions for use of which are stated in the GPT.
- 1.11. **Provisions** – these "Provisions for Currency Purchase and Sale Services", which are Annex 16 to the Bank's "General Provisions for Transactions" (GPT).
- 1.12. **Order Validity Term** – the validity term of the Order that may not longer than the Business Day of submission of the said Order. The Order shall be valid until execution or cancellation thereof, provided that Client has cancelled the Order prior to its execution.
- 1.13. **Order** – the Client's offer to the Bank to conclude a Transaction according to the rate specified by the Client, which the Bank may or may not accept at its discretion. An Order executed by the Bank shall be granted a Transaction status.
- 1.14. **Special Rate** – an agreement reached by the Bank and Client regarding currency exchange rate which may be applied for Transactions above EUR 3,000 (three thousand euro) (or equivalent amount in a different currency in accordance with the currency exchange rate set by the Bank at the moment of application) by contacting the Bank by phone or in the system PNB Chat. When carrying out a transaction in PNB Trade, no minimum amount limits shall be applied.
- 1.15. **Standard Rate** – the currency exchange rate set by the Bank and published every Business Day online on the website of the Bank and in Client service locations.
- 1.16. **Value Date** – settlement date of the Transaction.
- 1.17. 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. Scope of Provisions

- 2.1. These Provisions regulate the relationship between the Bank and the Client in relation to the conclusion of Transactions between the Client and the Bank.

3. General Provisions for Conclusion of a Transaction

- 3.1. The Client shall apply for the currency purchase and sales service provided by the Bank in one of the following ways:
 - 3.1.1. by concluding a Transaction with the Bank using the Standard Rate, using either PNB Internetbanka or PNB Vision;
 - 3.1.2. by agreeing with the Bank on a currency exchange rate by phone or via PNB Chat and by entering the particulars of the Transaction in PNB Internetbanka;
 - 3.1.3. by concluding Transactions independently using PNB Trade;
 - 3.1.4. by submitting Orders to the Bank by phone or via PNB Chat (i.e., initiating the conclusion of Transaction at the rate stated by the Client). The Bank shall accept Orders for the Transaction amounts starting from EUR 100,000 (*one hundred thousand euro*) (or equivalent in another currency in accordance with the Bank's exchange rate at the time of acceptance of the Order).
- 3.2. Conclusion of Transactions based on the Standard Rate using PNB Internetbanka or PNB *Vision* is possible during working hours.
- 3.3. Conclusion of Transactions based on the Special Rate is possible on Business Days between 8.00AM and 6.00PM Latvian time.
- 3.4. The Order may be submitted, changed or cancelled by contacting the Bank by phone or via PNB *Chat* on Business Days from 8.00AM to 6.00PM Latvian time.
- 3.5. If the Client has several Current Accounts and/or Card Accounts in the Transaction Currency opened with the Bank and, when concluding a Transaction with the Bank or submitting an Order, the Client has not specified to the Bank the Current Account or Card Account number in which to carry out the Transaction, the Bank shall select the Account at its own discretion and without separate approval or notification to the Client.
- 3.6. By concluding a Transaction or submitting the Order, the Client shall confirm that:
 - 3.6.1. he/she has familiarised him/herself with the GPT, including the Provisions, Bank's "General Provisions for Processing Client Data", Bank's "Provisions for Remote Services", as well as Rates & Fees, consents to them and acknowledges them to be binding for the Client (person represented);
 - 3.6.2. all the information submitted is truthful;
 - 3.6.3. fully understands and acknowledges that the Transactions concluded may result in loss for the Client;
 - 3.6.4. fully understands and agrees that conclusion of Transactions is related to the use of provision of the electronic means of information transfer, telecommunications and software, and that it may not be possible to execute Transactions and/or Orders placed by the Client due to a failure or disruption in the operation of such means of communication, and that the Bank shall not be responsible in the event of such non-performance.
- 3.7. When communicating with the Bank for carrying out a Transaction or submission, change or cancellation of an Order by phone, the Bank shall identify:
 - 3.7.1. a Client – natural person by Client code (CIF), name, surname, and Voice Password;
 - 3.7.2. a Client – legal entity by Client code (CIF), Client's name, and Voice Password.
- 3.8. When the Client concludes a Transaction via PNB Trade or using PNB Chat, PNB Internetbanka or PNB Vision, the Bank shall identify the Client in accordance with the procedure laid down in GPT and Annex thereto "Provisions for Remote Services".
- 3.9. The Transactions concluded and Orders submitted where the conditions have been agreed upon by phone or using PNB Chat shall be considered concluded/placed by the Client personally.
- 3.10. The Client undertakes to keep the Voice Password confidential and not to disclose it to third parties and to notify the Bank immediately in case the Voice Password has been disclosed to third parties. The Voice Password shall be deemed to be invalid from the moment when the Bank has received a notification (in writing or electronically by using the Remote Service) from the Client on necessity to change the Voice Password.
- 3.11. The Transaction shall be deemed concluded at the moment when the Parties have by means of negotiations (including in the PNB Chat system) agreed upon the principal conditions stated in Clause 3.10.1 of the Provisions, have expressed their mutual consent for the conclusion of the Transaction, and the Client has fulfilled the condition referred to in Clause 3.10.2 of the Provisions.
 - 3.11.1. The principal conditions for Transaction are as follows:
 - 1) the name and amount (Transaction amount) of the currency to be sold or purchased;
 - 2) the exchange rate of the Transaction.
 - 3.11.2. the Client, at the time of coordination of the Transaction terms, shall undertake to provide the Transaction amount in the respective currency (depending on the operation to be performed) in the Account, and this amount shall be blocked immediately after the Transaction is concluded and remains blocked until all the settlements for the respective Transaction have been made.
- 3.12. The Order shall be considered accepted by the Bank and the Transaction concluded, when the Client has stated to the Bank all the main Order conditions referred to in Clause 3.11.1 of the Provisions, the Bank has agreed to accept the Order and the Client has complied with the condition referred to in Clause 3.11.2 of the Provisions.
 - 3.12.1. The principal conditions for Order are as follows:
 - 1) the name and amount (Transaction amount) of the currency to be sold or purchased;
 - 2) rate of the Order;
 - 3) other conditions for the Order.

- 3.12.2. The Client, at the time of submitting the Order, shall undertake to provide the Transaction amount in the respective currency (depending on the operation to be performed) in the account, and this amount shall be blocked when the Client submits the Order and remains blocked until all the settlements of the relevant Order have been made or until the Order is cancelled or becomes ineffective.
- 3.13. The Parties may not withdraw from the Transactions concluded unilaterally. The Client may change or recall an Order not yet executed by the Bank. The Bank may or may not execute the Order without providing a separate notice or coordinating with the Client.
- 3.14. If the Transaction terms have been agreed on and the Order has been placed, the change or withdrawal of conditions has been made by phone or in the system PNB Chat, the Client must confirm all the main terms of the Transaction or Order or the fact of the cancellation of the Order on the same Business Day before 6.00PM Latvian time via PNB Internetbanka or PNB Vision, or by submitting a confirmation to the Bank in the form of a written (paper) document.
- 3.15. The Transactions concluded via PNB Trade shall be processed automatically and no separate confirmation shall be required.
- 3.16. If the Client fails to enter the Transaction parameters on the Value Date by the end of the Business Day (before 6.00PM Latvian time), the Bank shall be entitled to execute the Transaction or Order on the basis of the negotiation records confirming conclusion of the Transaction or the placement of the Order (including those made via PNB Chat).
- 3.17. The Bank may record/preserve the phone conversations and the PNB Chat negotiations between the Client and the Bank, and the Client agrees that printouts and records of such negotiations may be used as evidence in dispute resolution. The Client acknowledges that the Bank shall choose unilaterally the technical means for recording the said conversations/negotiations.
- 3.18. The Client may submit any claims to the Bank in writing (on paper) or electronically by using PNB Internetbanka or PNB Vision within 14 (*fourteen*) calendar days from conclusion of Transaction or submission of an Order. If the Client fails to submit a claim to the Bank within the said deadline, the Bank may assume that the Client considers the actions of Bank in relation to the Transactions concluded or Orders submitted to be right.

4. Collateral Provided for the Transactions

- 4.1. In order to ensure fulfilment of the Transaction obligations on the part of the Client, upon conclusion of the Transaction or submission of the Order, the Bank may block funds in the Account in the amount and in the currency of the Transaction or Order, until the Client has fully performed his/her obligations for all the concluded Transactions.
- 4.2. The Client must continuously monitor that there are sufficient funds in the Account in order to carry out the Transaction, including in accordance with the Order submitted.
- 4.3. Where the Client fails to perform his/her obligations under the Provisions, the Bank may:
 - 4.3.1. choose not to execute the Client's effective Orders or Transactions;
 - 4.3.2. act in accordance with the procedure laid down in Clause 5.1 of the Provisions.

5. Refusal to Provide the Currency Purchase or Sale Service

- 5.1. The Bank may unilaterally refuse and/or suspend the provision of currency purchase and sale service without a notice to the Client in the following cases:
 - 5.1.1. when all the Client's Accounts have been closed;
 - 5.1.2. in cases provided for in the Clause 3.11 of the GPT;
 - 5.1.3. in the case provided for in the Clause 4.3 of the Provisions;
 - 5.1.4. in other cases provided for in the Applicable Law.
- 5.2. The Bank shall notify the Client on suspending provision of the currency purchase or sale service in the events referred to in the Clause 5.1 of these Provisions, in compliance with the cases and deadlines specified in the Applicable Law.

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