

Handelsbanken

GENERAL TERMS AND CONDITIONS

Valid from December 01, 2018

1. DEFINITIONS

Account	the current account opened on the name of the Customer at the Bank.
Bank	Svenska Handelsbanken AB (publ) registered in the bank register conducted by the Swedish Financial Supervisory Authority (Finansinspektionen) with a business ID 502007-7862, registered address: Kungsträdgårdsgatan 2, SE – 106 70, Stockholm, Sweden, which in Latvia is represented by Svenska Handelsbanken AB Branch operation in Latvia, reg. No 40003960512, legal address: Cesu street 31/9, Riga, LV-1012.
Bank Group	entities belonging to the same Group within Svenska Handelsbanken AB (publ). Information is available on the Web page.
Beneficial owner	a private person defined as a beneficial owner in accordance with the Law on Prevention of Money Laundering and Terrorism Financing.
Business day	any calendar day which in the Republic of Latvia is an official working day and when Svenska Handelsbanken AB Branch operation in Latvia is open for business transactions.
Consumer	a Customer who is considered as a consumer in accordance with the applicable legislative acts.
Customer	a private person or legal entity (or other legal foundation) who uses or applies for the Bank's Service.
Customer information	any information about contractual relationships between the Customer and the Bank, any information about the Customer's Account and Customer's Payments.
Customer's representative	a private person who is the legal representative of the Customer or who is authorized to act on behalf of the Customer based on the issued Power of Attorney.
Internetbank	a current account remote management system, which is available to the Customer via Internet.
Means of distance communication	any means which allows to transfer / receipt information / Notification without the simultaneous physical presence of the Bank and the Customer (e.g. telephone, e-mail, Internet, etc.).
Means of identification	any means by which the Bank can verify the identity of the Customer and the Customer's representative in a manner agreed between the Parties (e.g. secure e-signature, authentication means for the Internetbank).
Notification	any message, application, request or other communication made by one Party to the other in connection with the Service.
Party	the Customer and the Bank each separately, and the Parties shall mean the Customer and the Bank jointly.
Price List	a price list established by the Bank and valid in the relevant period, setting out the prices charged by the Bank for certain Services offered by the Bank.
Reference exchange rate	a currency exchange rate determined by the Bank on the relevant day for each currency in which the Bank performs transactions.
Service	any financial service provided by the Bank to the Customer based on the relevant Service agreement.
Service agreement	agreement signed between the Parties for the provision of the particular Service to the Customer.
Terms of Settlements	Bank's Terms of Settlements.
Web page	an Internet web page of the Bank at www.handelsbanken.lv .

These General Terms and Conditions determine the basic principles of the legal relationships between the Parties in related to the provision of the Services and apply in cases not covered by the particular Service agreement. In the event of a conflict, the conditions of the relevant Service shall apply. Definitions related with the Payments are specified in the Terms of Settlements or in the Price List.

2. CUSTOMER IDENTIFICATION. CUSTOMER'S REPRESENTATIVES

2.1. The Bank identifies the Customer and the Customer's representative according to the Bank's internal rules and requirements of the applicable legislative acts. The Bank has the right to ask a person to present his/her identity document, as well as the Bank has the right to copy and store copies of the identity documents complying with the requirements of the legislative acts.

2.2. The Bank may verify identity of the Customer and / or the Customer's representative by the Means of identification agreed between the Parties provided that the relevant Service agreement determines such order.

2.3. Upon checking the identity of the Customer and the Customer's representative and conducting the Customer's due diligence, the Bank is entitled to receive necessary information from the relevant state authorities and / or from publicly available sources of information.

2.4. The Customer is entitled to authorize a third person to represent its interests and to perform certain operations with the Bank. The authorization must be executed in writing on the Bank's form or the Customer may submit to the Bank a notarized Power of Attorney. The submitted authorization is valid until the Customer has withdrawn it in writing unless the validity period is specified in the authorization. If the authorization is issued for a specified term, it will expire when defined term expired, unless the authorization was withdrawn in advance.

2.5. If the Customer being a legal entity (or other legal foundation) has not submitted to the Bank a written authorization, which specifies the Customer's representative/-s and range of their authorization, it shall be considered that in the relationships with the Bank the Customer is represented by the legal representatives data about which the Bank obtains from a publicly available and trusted database (for example, the

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Enterprises Register of the Republic of Latvia accessible through Lursoft service) or requires the Customer to submit an official statement from the relevant state register (for non-residents).

3. PREVENTION OF MONEY LAUNDERING AND TERRORISM FINANCING AND APPLIANCE OF SANCTIONS

3.1. When executing of its operations the Bank complies with the requirements related to the prevention of money laundering and terrorism financing and the appliance of sanctions, and with this regard the Bank has the right to request, but the Customer is obliged to submit:

3.1.1. information and documents which are necessary for the Customer's due diligence and/or enhanced due diligence, including about Customer's business or private activity, financial standing and source of funds, about planned operations in the Account;

3.1.2. information and documents about the Customer's (being legal entity or other legal foundation) owners structure, beneficial owners and their personal activity and origin of funds;

3.1.3. information and documents about any Customer's Payment or transaction related to it (for example, agreement with the business partners, invoice, etc.);

3.1.4. any other information and documents which are necessary for the proper execution of the legislative requirements with regard to the prevention of money laundering and terrorism financing and the appliance of sanctions.

3.2. If the Customer fails to submit the required information and / or documents within the term and volume specified in the Bank's request, or the submitted information and / or documents are insufficient and / or raise doubts as to their authenticity, the Bank has the right to suspend fully or partly the transactions in the Customer's Account and the provision of Service until all the requested information is received and is sufficient for the execution of requirements for the prevention of money laundering and terrorism financing or other applicable legislative requirements.

3.3. The Customer must ensure that the source of funds incoming to the Account is legal and that the Account shall be used only for the performance of legal activities and in no way is related with money laundering and terrorism financing operations and any other activities aimed at circumventing of international and Latvian national sanctions or restrictions.

3.4. The Bank has the right to refrain from providing the Service to the Customer in full or in part and / or to demand termination of the Service agreement if one of the following circumstances has been detected:

3.4.1. the Customer has not provided the information and documents requested by the Bank, in accordance with the paragraph 3.1 herein, or the information provided by the Customer is incomplete, false or misleading;

3.4.2. the Bank has reasonable suspicion that the Customer's Payment or several Payments are related with money laundering or terrorism financing or another criminal offense;

3.4.3. The Customer, the Customer's representative or a third party involved in the Customer's Payment / transaction or another person related with the Customer (e.g., the parent company, subsidiary, beneficial owner) is recognized as a person subject to the restrictions - i.e. a person is included in any international or Latvian national sanctions lists binding to the Bank in accordance with the applicable laws and regulations.

3.5. The Bank has the right to suspend the Customer's Payment execution for the time necessary to receive and evaluate information and documents requested from the Customer in accordance with the paragraph 3.1 therein. The Bank has the right to refuse execution of the Customer's Payment order and / or to restrict the Customer's activity in the Account if this is necessary for the fulfillment of requirements or restrictions of the Correspondent banks and / or state institutions binding to the Bank.

3.6. The Bank shall not be liable for losses that may occur to the Customer and / or third parties due to non-fulfillment or non-execution of the Payment or due to refusal from the Service provision or Service termination if the Bank has acted in accordance with the applicable regulatory requirements in order to prevent possible money laundering, terrorism financing or other criminal offenses.

4. CONFIDENTIALITY OF INFORMATION. PERSONAL DATA PROCESSING

4.1. The Bank is entitled to process personal data, if the relevant person has provided such information to the Bank, or such data is available publicly, or the Bank has otherwise acquired such data through the legitimate means.

4.2. The Bank may process personal data in order to perform its obligations arising from any Service agreement concluded between the Parties, or any applicable legislative acts, in order to ensure protection of the Customer's rights, to diminish, manage and control the risks related to the Bank's activity, to evaluate the Customer's financial reliability and creditworthiness, to avoid damages to the Bank and Bank Group. The data processing controller is Svenska Handelsbanken AB (publ). An information about data processing - what personal data the Bank handles and why, how data is obtained, with whom it might be shared and for how long period hold - is provided in the Bank's Privacy notice which is available on Web page and on paper form at the Bank's office.

4.3. In dealing with the Customer's information and personal data the Bank shall in any event comply with the requirements of applicable legislative acts and the Bank's internal rules and procedures concerning information security and confidentiality, and shall require any entity to whom the Bank supplies any Customer's information or personal data other than due to requirements of applicable legislative acts, to ensure the security and confidentiality of such information.

4.4. The Bank shall be obliged to maintain the confidentiality of the Customer's information that under the Credit Institutions Law is considered as non-disclosable information. The Bank may only disclose information concerning the Customer to third parties if it is required to do so under the applicable legislative acts or if the Customer has consent thereto.

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4.5. The Bank is entitled to record all Notifications received from the Customer by any means of communications and use them to prove the content of such Notification. The Bank facilities may be monitored by the Bank's surveillance equipment and the information gathered in this way shall be used only in order to ensure the security of the Bank and the interests of the Bank and its clients.

5. COMMUNICATION

5.1. The Parties shall communicate to each other any Notification personally, using the Means of distance communication or in any other manner agreed upon by the Parties in the Service agreement. The Bank's contact information is available on the Web page. To communicate the Customer the Bank is entitled to use the contact information provided by the Customer to the Bank when establishing a business relationship or in the Service agreement. Until the Bank has received a Notification about changes in contact information, the Bank has the right to assume that the Customer's information at the disposal of the Bank is correct.

5.2. Notification sent by one Party to other Party shall be deemed received within the following time lapse:

- if delivered in Latvia by registered post – on the fourth Business day as of the day of sending;
- if delivered outside Latvia by registered air post or equivalent first class post – on the seventh Business day as of the day of sending;
- if delivered using a courier service provider – on the date of delivery by such service provider;
- if delivered via Internetbank – on the day of delivery (Business day) within the Bank's working hours;
- if the Bank has published Notification in the Web page – on the day (Business day) of publishing.

5.3. The Bank shall accept the Customer's Notification signed with a secure electronic signature only if the electronic signature is made using the service provider registered with the Data State Inspectorate's of the Republic of Latvia register of accredited reliable service providers. The Bank may accept a secure electronic signature, which is made in another EU Member State, if it is a separately agreed with the Customer and the Bank has an opportunity to verify that the electronic signature service provider is certified by the relevant national supervisory authority.

5.4. During the validity of the Service agreement the Customer has right to receive an information about Service conditions, Payments execution and related costs, Account balance and other Services related information. These General Terms and Conditions and the Price List are provided to the Customer upon signing of the Current account agreement. Further, in case of amendments of these General Terms and Conditions and/or Price List, the Customer is entitled to receive these documents in paper form upon the relevant request. If the Customer asks to provide the above mentioned documents in paper form more frequently, the Bank shall be entitled to charge the Customer in accordance with the Price List.

6. APPLICABLE CURRENCY EXCHANGE RATES

6.1. The Parties agree that in case of currency conversion made by the Bank (upon the Customer's respective order, or executing Payment, or debiting the Account with fees and other amounts payable by the Customer, or in other cases according to the Service agreement) the Reference exchange rate shall apply unless the Parties have agreed another currency exchange rate in each particular case.

If the Customer uses the Internetbank the information on the Reference exchange rates is available to the Customer in the Internetbank.

If the Customer does not use the Internetbank the information on the Reference exchange rate used for the particular transaction is provided to the Customer upon the request at the Bank.

6.2. In case of single-currency Account if funds are transferred in a currency, which is not the currency of the Account, the paid amount shall be converted to the Account currency according to the Reference exchange rate.

6.3. If case of multi-currency Account any currency, in which the Bank in general performs transactions, may be deposited and/or kept in the Account. Payment to the Account in any other currency shall not be accepted or processed by the Bank. The list of currencies in which the Bank in general performs transactions is available in Internetbank and at the Bank upon the Customer's request.

7. FEES

7.1. The Bank is entitled to receive and the Customer is obliged to pay, in relation to any Service provided by the Bank to the Customer, the fees stipulated in the Price List and/or in the relevant Service agreement.

7.2. Fees payable by the Customer to the Bank shall be calculated and paid in euro (EUR), unless the Service agreement concluded between the Parties or the Price List expressly states otherwise. Other amounts payable by the Customer to the Bank shall be paid in the currency agreed between the Parties.

8. INTEREST AND OTHER AMOUNTS PAYABLE BY THE CUSTOMER

8.1. The Customer must ensure a positive balance in the Account, unless an overdraft or other arrears in the Account have been permitted by the relevant Service agreement concluded between the Parties.

8.2. The Customer shall keep sufficient funds in the Account in order to enable the Bank to debit the Account with all fees, other amounts and indebtedness payable by the Customer to the Bank. If there are no funds in the relevant currency in the Account or funds are insufficient for debiting fees and other amounts arising out of the Service agreements concluded between the Parties, the Bank shall be entitled to convert necessary amount from another available currency according to the Reference exchange rate. Such Payment order is considered to be the Customer's contractual commitment and therefore is irrevocable.

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8.3. If any amount payable by the Customer to the Bank is or becomes subject to any tax or duty or similar mandatory payment, then the Bank shall be entitled to receive and retain such amount net of any relevant mandatory payment, and the Customer shall be obliged to increase the amount payable by an amount, which would be sufficient for payment of any such tax or duty or similar mandatory payment.

8.4. The Bank is entitled to debit any Customer's Account without any further Customer's authorization, and such debiting transaction is not to be considered as unauthorized Payment in each of the following cases:

- 8.4.1. in cases stipulated by legislative acts of the Republic of Latvia or other applicable laws and regulations;
- 8.4.2. in the case of Bank's mistake, delusion or oversight upon crediting the Account;
- 8.4.3. in other cases in accordance with the Service agreements concluded between the Parties.

8.5. Any funds deducted from the Account by the Bank in order to pay any amount that is payable by the Customer to the Bank, and is due and unpaid, as well as any funds received by the Bank for such purpose by way of enforcement of any collateral, shall be applied to compensate due and unpaid obligations in the following order (until other order is stipulated in the relevant Service agreement):

- 1) a default interest payment;
- 2) an interest payment;
- 3) a principal amount payment;
- 4) a payment of any amounts payable to the Bank in relation to the Service agreement, Payments, currency conversion;
- 5) a penalty payment (if such is stipulated in the Service agreement).

8.6. The Bank shall transfer accrued interest, if any is payable pursuant to the Price List, to the Account on the first Business day of next month unless the Parties have agreed another order. For the Customer being a legal entity (or other legal foundation) the Bank shall calculate interest on the basis of the actual number of days in a calendar month in a 360-days year. For the Customer who is a Consumer shall apply actual number of days in a calendar month in a 365-days year.

9. RIGHTS, OBLIGATIONS AND LIABILITIES OF THE PARTIES

9.1. The Parties shall perform their obligations arising from the Service agreement duly, reasonably and in good faith. The Parties are responsible for failing to comply with their obligations or improper performance of the obligations.

9.2. The Customer is obliged to pay all payments due to the Bank, provide correct and complete information to the Bank according to its reasonable requests, as well as perform all other obligations towards the Bank arising out of the Service agreement.

9.3. The Customer is not allowed to assign any of its rights and obligations arising out of the Service agreement, fully or partially, to any third party without the prior written consent of the Bank.

9.4. The Customer shall be fully liable for losses caused to the Bank by the Customer and / or Customer's representative acting unlawfully, misleading the Bank or due to the Customer's and / or Customer's representative's negligence.

9.5. The Bank shall be liable for the Payment order correct execution, in accordance with the Terms of Settlements.

9.6. Subject to prior notification to the Customer, the Bank is entitled to assign its obligations, fully or partially, to any related entity or any third party, provided that it is not in contradict with essence of the obligation. The Bank is not liable for services provided to the Customer by third parties and which are related to the provision of the Service.

9.7. Neither Party shall bear liability for non-performance of the obligation insofar as and for so long as such non-performance is caused by an event of *Force majeure* (e.g. war, riot, forces of nature, the activities of public authorities, illegal third-party hindrance of the operations of such Party (bomb threats, etc.), general failure of communications lines or power failure, disturbances in postal services, data processing, data communications or any other circumstance, which is outside the control of the relevant Party).

9.8. The Bank shall have the right to suspend the performance of the Service to the Customer for the short time if that is required due to the planned maintenance and development work on the payment system and in order to eliminate failures in the provision of Service. The Bank shall inform the Customer about such planned works by publishing information on the Web page or by sending respecting message through the Internetbank. In case of necessity to perform extraordinary maintenance and development work upon occurrence of special circumstances the Bank shall make reasonable efforts to fix technical problems of a payment system as soon as possible.

10. AMENDMENTS AND TERMINATION OF BUSINESS RELATIONSHIPS

10.1. The Bank shall have the right to make unilateral amendments in these General Terms and Conditions, Terms of Settlements, Terms and Conditions for SEPA Direct Debit Payments, Terms for Internetbank Use, Price List and other Services conditions subject to the prior notification of the Customer. The Bank shall inform the Customer about amendments by publishing information on the Web page or by any other Means of distance communication at least 2 (two) months before the entry of such amendments into force. The Bank has the right not to observe this notification period and to notify the Customer about amendments in another term, if the amendments have been made in favor of the Customer, do not significantly affect the provided Service or another term is specified in the applicable legislative acts.

10.2. The Customer is deemed to have accepted the amendments proposed by the Bank and the amendments are binding to the Customer, if the Customer does not notify the Bank in writing that disagrees with the amendments before the proposed date of their entry into force. If the Customer does not agree with the proposed amendments it has the right to terminate the relevant Service agreement and / or business

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relationships with the Bank by giving to the Bank at least 2 (two) Business days prior written Notification personally or by using any of the Means of distance communication. Termination of the Service agreement shall not release the Customer from performance of obligations related to or arising out of the relevant Service agreement or its termination.

10.3. The Customer is entitled to terminate business relationships with the Bank and close the Account at any time, by notifying the Bank in writing at least 5 (five) Business days in advance, provided that the Customer has fully paid to the Bank all fees and any other amounts and indebtedness payable to the Bank with regard to any Service agreement concluded between the Parties. If the Account is required for any other Service provided by the Bank to the Customer or if it is necessary in relation to any obligations which the Customer must perform towards the Bank, the Account may not be closed until the Customer has performed its obligations.

10.4. The Bank is entitled to terminate business relationships with the Customer and close the Account, by notifying the Customer in writing 2 (two) months in advance if the Customer is a Consumer and 1 (one) month in advance if the Customer is a legal entity (or other legal foundation) (sub-paragraph 3 of paragraph 67 of the Payment Services and Electronic Money Law shall not apply for the Customer which is not a Consumer), if any of the following circumstances occurs:

10.4.1. in cases stated in the paragraph 3.4 of these General Terms and Conditions;

10.4.2. the Customer has failed to perform any obligations against the Bank or any member of the Bank Group and there is no agreement on performance of such obligations;

10.4.3. any other reason which at the Bank's opinion constitutes sufficient grounds for termination of business relationship with the Customer;

10.4.4. there has been no activity on the Account (except Account maintenance fee) during last 12 months (inactive account);

10.4.5. any other basis arising out of applicable legislative acts.

10.5. When either Party wishes to terminate business relationships and to close the Account, the Customer shall provide the Bank with the payment details where the Account balance amount (if any) shall be transferred by closing of the Account. If the Customer has not provided the Bank with the above mentioned payment details, the Bank shall be entitled to charge a fee stated in the Price List for inactive account maintenance until the Customer provides to the Bank an order to transfer remaining assets or until the balance of the Account is zero or negative. Then the Bank shall immediately close the Account.

10.6. Upon closing the Account the Bank shall transfer to the Account the accrued interest on funds on the Account, if any, and withdraw from the Account all fees and all other amounts payable to the Bank.

10.7. The Bank shall close the Account when the each Party's obligations under the Service agreements have been duly performed and no other agreement between the Parties requires the Account to be open. Once the Account is closed, it cannot be re-opened.

11. GOVERNING LAW AND DISPUTES RESOLUTION

11.1. The mutual business relationships between the Parties shall be governed by laws of the Republic of Latvia.

11.2. In case of any dispute arising out of business relationships between the parties and / or is related to the Service agreement, the Parties shall first attempt to resolve such dispute by negotiations. If either Party considers that the dispute cannot be resolved by negotiations, then the dispute between the Bank and the Customer who is a Consumer shall be settled in the courts of the Republic of Latvia, but the dispute with the Customer which is not a Consumer shall be settled at the option of the plaintiff, in:

11.2.1. the courts of the Republic of Latvia, in accordance with the legislative acts of the Republic of Latvia, or

11.2.2. the Court of Arbitration of the Association of Commercial Banks of Latvia, under the Articles and Regulations of the said Court of Arbitration and the Regulations on the Court of Arbitration of the Association of Commercial Banks of Latvia Costs. Provisions of the above-mentioned documents shall be included herein by reference. The place of the arbitration proceedings shall be Riga, the Republic of Latvia, and the language of the proceedings shall be Latvian. The arbitral tribunal shall consist of one arbitrator to be appointed according to the Articles and Regulations of the said Court of Arbitration.

11.3. The Customer is entitled on out-of-court settlements of complaint and redress disputes. The detailed information on the above procedure is described in the Web page.

12. SUPERVISION

12.1. The Financial and Capital Markets Commission (web page - <http://www.fktk.lv/en/>) performs supervision of banks operations in Latvia. The Swedish Financial Supervisory Authority for the bank is *Finansinspektionen* (<http://www.fi.se/Folder-EN/Startpage/>). Supervision of consumer rights protection performs the Consumer Rights Protection Centre (web page - <http://www.ptac.gov.lv/en/>). Supervision of the personal data processing performs the Data State Inspectorate (web page - <http://www.dvi.gov.lv/en/>).