



# TERMS OF OPENING AND MAINTENANCE OF A CURRENT ACCOUNT

Terms used:	
Bank –	SC "Parex bank".
Application –	the application for opening and maintenance of the Account pursuant to the proforma stated by the Bank, to be filled in by the Customer.
Account –	the Customer's current account with the Bank.
Account Statement –	a document where funds movement in the Account is reflected over a specific period of time and which states the funds balance in the Account at the beginning and at the end of such period.
Account Currency –	one of the currencies the Bank states exchange rate for.
Services of Remote Account Management –	the Bank's services by whose means the Customer may manage its accounts opened with the Bank without coming to the Bank in person (Parex Internetbanka, DIGI::FIRMA, fax settlements, etc.).
Agreement –	the arrangement between the Bank and the Customer for opening and maintenance of the Account, the Application and these Terms being integral parts thereof.
Monocurrency Account –	the Account type, upon choosing which the Customer may only keep his/its funds in the Account and make all transactions for increase (incoming) and decrease (outgoing) of the Account balance in the Account Currency.
Multicurrency Account –	the Account type, upon choosing which the Customer need not set the Account Currency, because all incoming funds are credited and kept in the Account in the currency stated in the payment document, provided the Bank states exchange rate for such currency.
Terms –	these Terms of the Opening and Maintenance of a Current Account.
Parties –	the Bank and the Customer taken together.
Order –	the Customer's instruction to the Bank for making a bank transaction with funds available in the Account, and application or document of another type for conclusion of a transaction or receiving the Bank's service, made and signed by the Customer accordingly.

## 1. GENERAL PROVISIONS

- 1.1. The Customer's signature in his/its Application certifies that he has studied the Terms in full, understands and agrees to and undertakes to comply with the same.
- 1.2. In cases where the person signing the Application on behalf of the Customer is not authorised to represent the Customer, the signatory proper undertakes all the Customer's liabilities under the Agreement as an individual.
- 1.3. Signing the Application, the Customer represents that:
  - 1.3.1. the Customer's activities are and will be lawful, and the same are not and will not be related to laundering of proceeds derived from criminal/unlawful activities;
  - 1.3.2. will ensure that the source of funds paid in/credited to the Customer's Account should be lawful.
- 1.4. The Agreement shall be considered concluded from the moment of the Bank opening the Account for the Customer.

## 2. RIGHTS AND OBLIGATIONS OF THE CUSTOMER

- 2.1. Opening the Account and using the same, the Customer shall be obliged to submit/present all documents requested by the Bank. The Customer shall be responsible against the Bank for authenticity and completeness of such data.
- 2.2. The Customer shall be obliged to notify the Bank of any changes in the data and/or documents submitted by the Customer to the Bank before opening his/its Account or over the validity of this Agreement immediately. In cases where the data fails to be submitted in time, or incorrect or incomplete data is supplied the Customer shall reimburse the Bank for all losses sustained thereby as a result of failure to fulfil this provision.
- 2.3. The Customer shall submit Orders to the Bank in person or by using Services of Remote Account Management. Orders shall be made pursuant to the Bank's requirements. The Customer shall be responsible for authenticity and completeness of data stated therein.
- 2.4. The Customer understands and agrees that the Bank uses the services of third persons, including those of correspondent banks, in execution of funds transfers or other bank transactions to the Customer's order. In this case the Bank shall not be responsible for execution of the Customer's order where the same has failed or has been delayed through the fault or inadvertence of third persons.

## 3. RIGHTS AND OBLIGATIONS OF THE BANK

- 3.1. The Bank shall consider the Customer's Application for opening an Account within 10 (ten) working days upon its receipt at the Bank.
- 3.2. In cases where a positive decision is passed, the Bank shall open the Account – a Multicurrency or a Monocurrency Account for the Customer and maintain the same pursuant to instructions given by the Customer and provisions of this Agreement. In cases where a negative decision is passed the Bank shall notify the Customer accordingly, without stating reasons of the refusal.
- 3.3. The Bank shall be entitled to credit the Account with any funds transfers or cash payments.
- 3.4. The Bank shall be entitled to credit the Customer's Account with a payment pursuant to the Account number stated in such payment only. The Bank shall be entitled not to credit the Account with funds in cases of justified doubts concerning conformity of the Account's requisites in the payment. The Monocurrency Account shall only be credited with the Account Currency such Account is opened in. In cases where the payment currency differs from that of the Monocurrency Account, the Bank shall exchange the payment amount into the currency of the Monocurrency Account without the Customer's acceptance at the exchange rate stated by the Bank as of the moment of the payment execution. The Multicurrency Account shall be credited in the currency stated in the payment document, provided the Bank has stated the exchange rate for such currency, and unless the Customer has given different instructions.
- 3.5. The Bank shall debit the Account with funds requested by the Customer (pay out in cash, transfer, render other financial services, included those related to use of payment cards) pursuant to the Customer's Order within the balance of funds available in such Account, according to instructions given by the Customer in his/its Order.
- 3.6. The Customer authorises the Bank to debit his/its Account without the Customer's Order in the following cases:
  - 3.6.1. in cases and according to procedures pursuant to legal and standard acts of the Republic of Latvia;
  - 3.6.2. for the services rendered by the Bank;
  - 3.6.3. in cases where the Account has been credited by error or due to lack of other legal grounds;
  - 3.6.4. as set-off against the Bank's claims against the Customer.
- 3.7. The Bank shall be entitled to refuse to execute any Order of the Customer in cases where the Customer infringes/fails to fulfil/fulfils inappropriately his/its obligations under the Terms.
- 3.8. The Bank shall be obliged to identify the Customer before execution of each Order of the Customer. The Bank shall identify the Customer and/or compare the signature affixed in the Order with the Customer's specimen signature given in his/its specimen signature card visually. In cases where the Customer has given his/its Order

using the Services of Remote Account Management, the Customer shall be identified pursuant to requirements of the agreement/the terms regulating procedures of rendering the respective Service of Remote Account Management.

- 3.9. The Bank shall not be responsible for debiting the Customer's Account pursuant to a forged/unlawfully made and submitted Order, provided the signature affixed in such Order conforms to the Customer's specimen signature given in his/its specimen signature card visually, or in cases where the Order has been received using the Services of Remote Account Management and the Bank has identified the Customer correctly pursuant to requirements of the agreement/the terms regulating procedures of rendering the respective Service of Remote Account Management.
- 3.10. At the Customer's request the Bank shall issue/send his/its Account Statement or other information on the Account condition thereto.
- 3.11. The Bank shall keep information on the Customer and his/its Account confidential. Such information on the Customer and his/its Account may only be disclosed to third persons without the Customer's consent in cases and according to procedures pursuant to legal and standard acts of the Republic of Latvia.
- 3.12. The Bank shall be entitled to revise the Bank's Terms and Conditions, the Terms of the Bank regulating use of Accounts/payments and the Bank's General Terms of Business unilaterally. The Customer may peruse such revisions in respective documents at the Bank's Customer servicing premises during the Bank's working hours or else on the Bank's internet home page: [www.parex.lv](http://www.parex.lv), or by calling the Bank's information service.

## 4. SETTLEMENTS

- 4.1. The Customer shall charges to the Bank for opening, maintenance of his/its account and other services rendered by the Bank pursuant to the Bank's current Terms and Conditions as of the moment of rendering the respective service.
- 4.2. The Bank shall be entitled to set a respective charge for the services not stated in Bank's Terms and Conditions that the Bank had to render in order to execute the Customer's Order, unilaterally, unless agreed otherwise with the Customer.

## 5. VALIDITY, TERMINATION OF THE AGREEMENT

- 5.1. The Agreement is concluded for an indefinite period of time.
- 5.2. The Bank shall be entitled to close the Account in the following cases:
  - 5.2.1. at the Customer's request – within 10 (ten) working days of the Bank from the day of receipt of the Customer's application for closing his/its Account by the Bank;
  - 5.2.2. unilaterally, sending of 10 (ten) working days of the Bank a notice to the Customer in cases where the Customer fails to fulfil or to fulfil his/its liabilities against the Bank appropriately;
  - 5.2.3. unilaterally, without a notice to the Customer:
    - 5.2.3.1. in cases where the Customer has submitted incorrect information or documents to the Bank;
    - 5.2.3.2. in cases where the Customer has not executed bank transactions in his/its Account for more than 12 months, and the Account balance is equal to 0 (zero) or negative;
    - 5.2.3.3. in case the Bank suspects that the Customer or funds available in is/its Account are related to laundering of proceeds derived from criminal activities or terrorism, or funds available in is/its Account are unlawful.
- 5.3. Closing the Account, the Bank shall proceed as follows:
  - 5.3.1. debit the Account with funds due to the Bank before closing the Account in cases and according to procedures pursuant to paragraph 3.6 of the Terms above;
  - 5.3.2. upon compliance with the provision pursuant to paragraph 5.3.1 above, pay out the balance amount to the Customer or transfer the same to the account stated thereby, and in cases where the Customer has given no instructions to the Bank concerning payment of such balance amount, the Bank shall ensure its safe custody and payment to the Customer within the term and according to procedures pursuant to legal acts of the Republic of Latvia;
  - 5.3.3. retain the Customer's documents submitted to the Bank when opening the Account and using the same.
- 5.4. The Agreement shall be terminated after liabilities established by use of the Account have been terminated and the Customer has made all payments ensuing from such liabilities to the Bank.
- 5.5. In the case pursuant to paragraph 5.2.1 of the Terms the Bank shall be entitled not to close the Account and not to terminate the Agreement in cases where the Account is related to another service of the Bank rendered to the Customer.

## 6. OTHER PROVISIONS

- 6.1. All notices and other information of the Bank to the Customer shall be sent to the Customer's address stated in the Application or supplied subsequently in writing and/or to other details (e-mail address, telephone, etc.). The Customer agrees that the Bank shall send to the Customer information on the Bank's services, as well as on the goods and services of third persons.
- 6.2. Legal relations between the Parties shall be regulated by agreements concluded between the Parties, other terms of the Bank that regulate use of Accounts/payments, the Bank's General Terms of Business and the Law of the Republic of Latvia as far as not stipulated by this Agreement.
- 6.3. The Parties shall be responsible for failure to fulfil or to fulfil appropriately their liabilities under this Agreement according to procedures and to the amount pursuant to this Agreement and legal acts of the Republic of Latvia.
- 6.4. The Parties shall not be responsible for losses related to force majeure.
- 6.5. The Customer (the individual) represents and agrees that the Bank shall be entitled to process his personal data, including requesting and receiving the Customer's personal data from any third persons and databases established according to procedures pursuant to the Law, if the Bank deems it necessary in order to establish legal relations between the Customer and the Bank or to ensure fulfilment of liabilities.
- 6.6. Any dispute, disagreement or claim ensuing from this Agreement, concerning the same or infringement, termination or invalidity thereof shall be tried by Riga International Arbitration Court, Riga, pursuant to the current Law of the Republic of Latvia and the rules and regulations of such Arbitration Court consisting of one arbitrator, in the Latvian language on the basis of the documents submitted. In cases where the Customer is an individual, all disagreements between the Parties may be tried by the court of the Republic of Latvia according to jurisdiction at the plaintiff's discretion. In cases where the Customer is a corporate person that cannot act as a party to the arbitration agreement under the current Law, disagreements between the Customer and the Bank shall be tried by the court of the Republic of Latvia according to jurisdiction.

The Customer shall be entitled to appeal to the Ombud of the Association of Latvian Commercial Banks pursuant to "The Procedures Trial of Claims of Customers of Credit Institutions by the Ombud of the Association of Latvian Commercial Banks (the Regulations)" approved by Resolution No 71/1 of the Council of the Association of Latvian Commercial Banks, of the text thereof being accessible to the Customer at the Bank or the Association of Latvian Commercial Banks <http://www.bankasoc.lv/skirejtiesa/ombuds/reglaments/index2.php>.