

TERMS OF PAREX ONLINE BANKING USE AND SERVICING

1. TERMS USED:

- 1.1. **Account** – any account of the Customer with the Bank incl. a current account, a savings account, etc., opened with the Bank in the Customer's name and connected to Parex Online Banking.
- 1.2. **Application for the Service** – an application filled in by the Customer according to the pro-forma set by the Bank for obtaining the Service.
- 1.3. **Authorisation Code** – a combination of digits indicated by the authorisation device specified in the Application for the Service, to be used by the User to get connected to Parex Online Banking in accordance with the guidelines set in the instructions for authorisation device operation.
- 1.4. **Code Calculator** – an electronic authorisation device used by the User for his/her authorisation in Parex Online Banking and depending on the type of the device - for generating the Digital Signature or the Confirmation Code.
- 1.5. **Code Card** – an authorisation device in the form of a plastic card with digital codes to be used by the Customer for his/her authorisation in Parex Online Banking and/or generating the Confirmation Code.
- 1.6. **Confirmation Code** – a body of data related to the Electronic Document and identifying the sender of the Electronic Document – the User. The Confirmation Code is generated using the Code Card or the Code Calculator specified in the Application for the Service.
- 1.7. **Digital Signature** – a body of data related to the Electronic Document, identifying the sender of the Electronic Document – the User and ensuring the authenticity of the relevant data of the Electronic Document.
- 1.8. **Electronic Document** – a body of data created using Parex Online Banking and containing the User's Order or other type of document addressed to the Bank.
- 1.9. **Full-scale Operation Mode** – the mode of Parex Online Banking use where the User is entitled to submit (send) Orders for execution of Transactions and other documents (applications, requests etc.) to the Bank in compliance with Limitations set for the User (if any), as well as to exercise rights set for the View-only Operation Mode.
- 1.10. **GTB** – General Terms of Business.
- 1.11. **Limitations** – limitations on the Transaction types, limits of the Accounts and other limitations specified in the Application for the Service, that are set by the Customer and are binding upon the User.
- 1.12. **Login Password** – a series of symbols attached to the User Login Name, chosen by the User and known to the User only, used by the User to get connected to Parex Online Banking.
- 1.13. **Order** – an order for the Bank to execute a specific Transaction given on behalf of the Customer.
- 1.14. **Parex Online Banking** – the Bank's remote account management system via the internet. Parex Online Banking may be accessed by opening the Bank's internet home page www.parex.lv or internet address <https://digi.parex.lv>. Parex Online Banking software should not be installed to the User's computer.
- 1.15. **Parties** – the Customer and the Bank jointly.
- 1.16. **Service** – connection and servicing of Parex Online Banking, as well as other related services of the Bank.
- 1.17. **Service Agreement** – an arrangement between the Bank and the Customer for Parex Online Banking use and servicing, the Application for the Service and the Terms of the Service being integral parts thereof.
- 1.18. **Telephone Password Question and Telephone Password** – a password question chosen by the User to be asked by the Bank and a password to be given to the aforementioned password question by the User to the Bank by telephone for the authorisation of the User in cases, where the User requests that his/her Login Password should be changed, his/her User Login Name, access to Parex Online-Banking and/or authorisation device should be blocked as well as intends to obtain information on the issues related to the use of Parex Online Banking and carry on other actions within authorisation set for the User. The User shall be entitled to ask the Bank for changing his/her Telephone Password Question and Telephone Password at any time. In the framework of the present Service the User shall be entitled to use the Telephone Password Question and Telephone Password already set for the User as for the Customer or authorised person/User of another Customer.
- 1.19. **Terms of the Service** – the present terms of Parex Online Banking use and servicing.
- 1.20. **Transaction** – financial transactions that may be executed under a mutual agreement on opening and maintenance of respective Accounts or other agreements on related services, using Parex Online Banking, incl. transfers from the Account, currency exchange transactions, etc.
- 1.21. **User** – a natural person using Parex Online Banking: the Customer as natural person himself or the Customer's (natural or legal person's) authorised person.
- 1.22. **User Login Name** – a series of symbols chosen by the Customer and specified in the Application for the Service, to be used by the User to get connected to Parex Online Banking.
- 1.23. **User Manual** – description of Parex Online Banking operation that can be accessed by the Customer/the User in Parex Online Banking and on the Bank's internet home page.
- 1.24. **View-only Operation Mode** – the mode of Parex Online Banking use where the User is entitled to obtain (view) information on the Account condition, turnover, balance, etc., print out the Account statement, but is not entitled to submit (send) Orders for execution of Transactions and other documents (applications, requests etc.) to the Bank.
- 1.25. Other binding terms and their definitions shall be specified in the Basic Agreement entered into between the Bank and the Customer, GTB and service agreements on the opening and maintenance of Accounts.

2. ENTERING INTO THE SERVICE AGREEMENT.

- 2.1. By signing the Application for the Service, the Customer certifies that the same:
 - 2.1.1. will use Parex Online Banking pursuant to the Application for the Service, the Terms of the Service, the User Manual and instructions for authorisation device operation;
 - 2.1.2. is aware of the risks related to this Service;
 - 2.1.3. will ensure that the User receives the authorisation device specified in the Application for the Service, is acquainted with the Application for the Service, the present Terms of the Service, the User Manual and other terms and instructions related to the Service, including instructions for authorisation device operation, and that the Customer complies with all requirements pursuant to such documents.
- 2.2. The present Service Agreement shall be entered into when the Bank accepts the Customer's Application for the Service. The Bank shall accept the Application for the Service in case the latter is executed in compliance with the requirements of the Bank and its signer is identified as the Customer registered in the Bank information system.
- 2.3. The Bank shall be entitled not to accept the Application for the Service without commenting on the reasons of such decision.
- 2.4. After the Service Agreement has been entered into the Bank shall connect Parex Online Banking to the Account of the Customer.
- 2.5. The legal address of the Bank shall be deemed the place of entering into the Service Agreement.
- 2.6. The Customer shall be entitled to request alterations to the information specified in the Application for Service (incl. alterations/supplements to the list of the Users, changes of the mode of Parex Online Banking use set for the User, alterations/supplements to the Limitations, replacing the authorisation device) by submitting a corresponding application to the Bank.
- 2.7. Legal relations between the Parties not specified in the present Terms of the Service shall be governed by the Basic Agreement, GTB, Terms of the opening and maintenance of the Accounts connected to Parex Online Banking.

3. RENDERING THE SERVICE.

- 3.1. Actions to be performed via Parex Online Banking.
 - 3.1.1. The User shall be entitled to use Parex Online Banking within the mode of Parex Online Banking use and in compliance with Limitations set for the User (if any), to send his/her Orders to the Bank to execute Transactions with funds available in the Account, other information and documents, incl.

requests and applications for obtaining other services of the Bank, as well as to check the Account condition, turnover, balance, etc.

- 3.2. Identification of the User.
 - 3.2.1. The identification of the User shall be performed by verifying the correctness of the Authorisation Code and the Digital Signature/the Confirmation Code of the Electronic Document have been entered. The Bank shall assume that the User is identified if the Authorisation Code and the Digital Signature/the Confirmation Code is correct. The Authorisation Code and the Digital Signature/the Confirmation Code shall be considered correct if the same conforms to the Authorisation Code/the Digital Signature/the Confirmation Code that would have been generated by means of the User's Code Card or Code Calculator, provided all instructions and terms of use thereof were complied with.
 - 3.2.2. In order to generate the Digital Signature the User shall be entitled to use the Code Calculator specified in the Application for the Service and assigned for the remote operation of the Customer's Account, or other Code Calculator issued for the remote operation of the Customer's Account and that can be used for generating the Digital Signature.
 - 3.2.3. The User's documents received via Parex Online Banking shall be considered as the Electronic Documents signed with the Digital Signature or authorised with the Confirmation Code. The Electronic Document executed properly and signed with the Digital Signature or authorised with the Confirmation Code shall be considered as the document executed by the User and submitted to the Bank.
 - 3.2.4. The Electronic Documents legally shall be deemed equal to those executed in writing and bearing correct signatures pursuant to the Civil Law of the Republic of Latvia, with all legal consequences ensuing thereof. A correct Digital Signature/Confirmation Code shall be considered as the User's personal signature that imposes liabilities upon the Customer pursuant to the norms of the Civil Law of the Republic of Latvia on signatures and authorisation.
- 3.3. Blocking the User's access and/or authorisation device.
 - 3.3.1. The User's access to Parex Online Banking and/or authorisation device shall be blocked or unblocked on the basis of the corresponding application of the Customer/the User, as well as on the initiative of the Bank in cases and pursuant to procedures specified in the User Manual and instructions for authorisation device operation.
- 3.4. Limitations on the Transactions.
 - 3.4.1. In order to increase the safety of Customer's funds in the Account, the Bank shall be entitled to determine the limits of the amount and/or the number of the Transactions to be executed per day/per month pursuant to the Pricelist.
- 3.5. Changes in Parex Online Banking.
 - 3.5.1. The Bank shall be entitled to revise the scope and procedures of services rendered under Parex Online Banking unilaterally. In cases where during the validity of the Service Agreement the Bank has technical possibility ensured to execute financial transactions that could not be executed at the moment of entering into the Service Agreement, execution of such financial transactions shall become available to all Users automatically, in compliance with the mode of Parex Online Banking use and Limitations set.

4. RESPONSIBILITY OF THE PARTIES.

- 4.1. In order to ensure the execution of Customer's Orders and other documents the Bank shall be entitled to use the services of third persons. In this case the Bank shall not be held responsible for the Customer's losses or inconvenience, where caused by actions or omission of such third persons.
- 4.2. The Customer shall be held responsible for all the User's actions in Parex Online Banking.
- 4.3. The Bank shall not be held responsible for the Customer's claims arising in relation to registration, revoking or revision of the scope of rights of the Users, provided the Bank acts pursuant to instructions of the Customer's authorised person, including cases where such instructions of the Customer's authorised person fail to conform to the Customer's decisions or infringements of procedures of taking such decisions are established.
- 4.4. The Bank shall not be held responsible for execution of Transactions, incl. debiting the Customer's Account with funds, pursuant to Electronic Documents that fail to be executed/submitted lawfully, where the Digital Signature/Confirmation Code of such documents is correct.
- 4.5. The Customer shall be held responsible for taking all organisation safety measures in order to prevent access of unauthorised persons to Parex Online Banking, as well as for keeping and use of the Login Password, the User Login Name, the Telephone Password Question and Telephone Password, authorisation devices so as to prevent that the same should become available to unauthorised persons and unauthorised use thereof.
- 4.6. The Bank shall not be held materially responsible for losses that are/may be sustained by the Customer due to damages or faults of communication lines, or in cases where Parex Online Banking or its individual functions cannot be used by/are not accessible to the User due to technical reasons, and/or the Electronic Document is not received by the Bank.
- 4.7. The User shall not be a party to the present Service Agreement, hence the Bank shall not be held responsible against the User for his/her claims and actions except cases where the Customer (natural person) and the User are one and the same person.
- 4.8. If the person signing the Application for the Service in the name of the Customer is not authorised to represent the Customer, the signor shall be entitled to cover the Bank's losses sustained thereof.

5. VALIDITY AND TERMINATION OF THE SERVICE AGREEMENT.

- 5.1. The Agreement has been entered into for an indefinite period of time.
- 5.2. The Customer shall be entitled to terminate the Service Agreement unilaterally by submitting his/her respective application to the Bank. The Bank shall terminate the Service Agreement within 5 (five) calendar days upon receipt of the Customer's application for termination of the Service Agreement.
- 5.3. The Bank shall be entitled to terminate the Service Agreement unilaterally with a notice of 5 (five) calendar days to the Customer.
- 5.4. The Bank shall be entitled to terminate the Service Agreement unilaterally immediately with a written notice to the Customer in any of the following cases:
 - 5.4.1. the Customer defaults/fails to comply with the Service Agreement;
 - 5.4.2. the Bank has grounds to suspect that Parex Online Banking is used for the purposes it is not meant for or actions are carried on that may block and/or hinder Parex Online Banking operation;
 - 5.4.3. all accounts of the Customer with the Bank are closed.

6. OTHER PROVISIONS.

- 6.1. The Customer agrees that the Bank should process personal data of the Customer, including requesting and receiving the Customer's personal data from any third persons and databases established according to procedures pursuant to the law, where the Bank deems it necessary for establishment of legal relations between the Customer and the Bank or ensuring fulfillment of their liabilities. The Customer agrees that the Bank should deliver his/her personal data to third persons, where the Bank deems it is necessary for recovery of debts from the Customer.
- 6.2. Any dispute, disagreement or claim ensuing from this Agreement, concerning the same or default, termination or invalidity thereof shall be resolved at Riga International Court of Arbitration, Riga, pursuant to the current laws of the Republic of Latvia and regulations of such Court of Arbitration consisting of one arbitrator, in the English language on the basis of the documents submitted. In cases where the Customer is an individual, all disagreements between the Parties shall be settled according to the legislation of Republic of Latvia by the court of the Republic of Latvia in accordance with jurisdiction. In cases where the Customer is a corporate person that cannot act as a party to the agreement on the court of arbitration under the current laws, disagreements between the Parties shall be tried by a court of the Republic of Latvia according to its jurisdiction.