

## 1. GENERAL PROVISIONS

1.1. These general terms and conditions (hereinafter General Conditions) specify the general basis for the regulation of relations between the AS Citadele banka (Reg. No. 40103303559; address of location 2A Republikas square, Riga, Republic of Latvia, LV-1010) Eesti filiaal (Reg. No. 11971924, address of location: Narva mnt 63/1, 10152 Tallinn, e-mail: [info@citadele.ee](mailto:info@citadele.ee), phone: 7700000, fax: 7700001, hereinafter: the Bank) and the Client with the objective of ensuring reliability, clarity and understandability of those relationships and legal security of the bank transactions.

1.2. General Conditions regulate the relations between the Bank and all natural and legal persons (earlier and hereinafter the Client) using or wishing to use the Bank's services.

1.3. The General Conditions, the Service Conditions and the Price List can be accessed in the Bank's service centres or on the Bank's website on the Internet ([www.citadele.ee](http://www.citadele.ee)).

## 2. APPLICABILITY AND INTERPRETATION OF GENERAL CONDITIONS, SERVICE CONDITIONS AND CONTRACT

2.1. The relations between the Bank and the Client shall be governed by the law valid in the Republic of Estonia and other legal acts, the General Conditions, the product and service conditions valid in the Bank (earlier and hereinafter the Service Conditions), by the contracts concluded between the Bank and the Client (hereinafter the Contract), price lists (hereinafter the Price List), and principles of sound banking management, and by the principles of good faith and reasonableness.

2.2. In case of a discrepancy between the General Conditions and the Service Conditions, the Service Conditions shall govern in respect of the particular case.

2.3. The General Conditions shall also apply to the contractual relations which have been created before entry into force of the General Conditions and which are valid on the day of the General Conditions entry into force, if not otherwise provided for in the Contract.

2.4. The General Conditions shall be applied until the expiry or termination of the contracts between the Bank and the Client and the performance of all the obligations arising from the relations between the Bank and the Client (incl. the obligations arising from the expired contracts that are not performed as of the date of expiry of the contract).

2.5. Invalidity of one part of the General Conditions shall not bring about the invalidity of the remaining part.

2.6. Interpretation of General Conditions, Service Conditions and Contract.

2.6.1. Words in the Contract in the singular form shall, where the context requires, include the plural and vice versa.

2.6.2. The headings of chapters and clauses of the Conditions are only to facilitate reading and shall have no effect whatsoever on the interpretation of the content of the chapters or the clauses.

2.6.3. Each provision of the General Conditions, Service Conditions and Contract shall be interpreted along with other provisions of the respective set of standards pursuant to the intent and objective of the provision and the usual practice between the Parties.

2.6.4. In case of potential discrepancies and differences in interpretation of the Estonian and foreign language texts, the text in the Estonian language shall govern.

2.7. In case the Client has not contested the General Conditions, it is considered that the Client has confirmed by his/her signature on

the Contract, order or any other transaction document that he/she has thoroughly examined the General Conditions, completely agrees to them and recognizes the mandatory influence of the provisions thereof in regard of himself/herself.

2.8. Communication between the Parties shall be in Estonian or in case of the existence of the respective agreement, in some other language agreed by the Parties.

## 3. ESTABLISHING AND AMENDMENT OF GENERAL CONDITIONS, SERVICE CONDITIONS AND PRICE LIST

3.1. The General Conditions, Service Conditions and Price List shall be established by the Bank.

3.2. The Bank is entitled to unilaterally change its General Conditions, Service Conditions and Price Lists without concluding a corresponding appendix of the alteration.

3.3. The Bank shall notify the Client of the amendments in the General Conditions and the Service Conditions in the Bank's service centres, on the Bank's website (on paper, via Bank's Internet bank, by e-mail, by sending an SMS with a mobile phone) or in another manner (e.g. through mass media) not later than 15 (fifteen) days before the amendments enter into force.

3.4. The Price List shall be available to the Client at any time during the business hours of the Bank (banking day) in all Bank's service centres. The amendments made shall be exhibited in the Bank's service centres at least 15 days before the corresponding amendments enter into force, with which the notification obligation of the Bank is considered to be fulfilled.

3.5. Unless agreed otherwise, upon disagreement with the amendments to the General Conditions, Service Conditions and Price List, the Client shall be entitled to cancel the Contract(s) by notifying the Bank thereof in writing prior to the enforcement of the amendments and he/she shall have the obligation to perform all his or her obligations to the Bank arising from the Contract before that. If the Client has not notified the Bank of his/her disagreement on the above conditions and according to the above procedure before the amendments enter into force, it shall be deemed that he/she has completely and unconditionally agreed to all the changes.

3.6. With good reason, the Bank shall be entitled to unilaterally amend the Price List and the Service Conditions without giving any prior notice thereof. In such an event the Bank shall notify the Client of any amendment immediately but not later than within 10 (ten) banking days in its service centres, on its website on the Internet or in another manner (e.g. through mass media) and the Client shall be entitled to immediately terminate the Contract related to the amendment by notifying the Bank thereof in writing or in another agreed manner not later than within 10 (ten) banking days in advance and fulfilling all his or her obligations arising from the Contract beforehand.

3.7. If the Client does not exercise his or her right to terminate the Contract, he or she shall be deemed as having accepted the amendments made and he or she has no claims to the Bank in respect of the amendments to General Conditions, the Service Conditions and the Price List.

## 4. APPLICABLE LAW

4.1. The relations between the Bank and the Client shall be governed by the laws of the Republic of Estonia.

4.2. Laws of foreign countries can be applied for regulating the relations between the Bank and the Client only if provided so by the Contract or if it arises from the law.

4.3. A court dispute between the Bank and the Client shall be settled in the Harju County Court if not otherwise provided by the law, or if the parties have not agreed otherwise at a prior time.

## **5. IDENTIFICATION OF PERSONS**

5.1. The Bank shall identify the Client or his or her representative pursuant to the General Conditions, Service conditions and the Contract. According to the bases and procedure established in the Contract, the Client or his or her representative can be identified through a means of communication accepted by the Bank.

5.2. For identification, the Client or his or her representative shall be obliged to submit the information and documents required by the Bank.

5.3. A natural person shall be identified on the basis of valid personal identification documents that comply with the legislation which have been designated by the Bank (e.g. a passport, an ID-card, an Estonian driver's license).

5.4. A legal person shall be identified on the basis of a valid extract of the corresponding register and/or the documents accepted by the Bank (e.g. a registration certificate, a certificate of the relevant agency).

5.5. The representative appointed by the memorandum of association of the legal person under foundation, or by the foundation resolution, or acting on the basis of an authorisation document, shall submit to the Bank the memorandum of association, or the foundation resolution, and/or the respective authorization document.

5.6. A natural person representing a legal person or a legal person under foundation shall be identified in accordance with the requirements governing the identification of a natural person.

5.7. When concluding a contract with a foreign legal person the Bank shall be entitled to require notarised documents or documents legalised in the manner accepted by the Bank (e.g. certified with Apostil).

## **6. REPRESENTATION**

6.1. A natural person shall be entitled to carry out transactions personally or through a representative. A legal person shall carry out transactions through a representative. Besides the Client, the Client's funds or other assets (e.g. securities) can be disposed of by a person whose right of representation is accepted by the Bank (e.g. the person specified on the specimen signatures card).

6.2. At the corresponding request of the Bank a Client who is a natural person shall be obligated to carry out a transaction personally.

6.3. The Bank shall not be obligated to accept the representational rights which fail to express the right of representation in an unambiguous and understandable way.

6.4. The document certifying the representational rights shall be in the form specified in the legal acts and accepted by the Bank.

6.5. The Bank shall be entitled to require that the document comprising the representational right includes:

6.5.1. Extent of authorization;

6.5.2. Given name, personal identification code or date of birth or name and registry code or registration number of the person represented;

6.5.3. Given name, personal identification code or date of birth or name of the representative or the name and registry code or registration number of the legal person;

6.5.4. Right of delegation of authorisation, if granted to the representative;

6.5.5. Date of granting the authority and the expiry thereof.

6.6. The Bank shall be entitled to require that the document certifying the representational right, executed outside the Bank, is notarised.

6.7. The Bank shall not be liable for the transactions carried out by the person having no representational right, and the consequences arising thereof, if the Client has not correctly fulfilled the obligation to notify the Bank (incl. in case the Client's representatives have changed or the degree and extent of their powers has changed). The Client shall also notify the Bank, if an entry with respect to the representational right has been recorded in the public register, the data thereof have been publicized through media, incl. initiating letters, or a judicial decision exists regarding the right of representation.

## **7. LEGAL SUCCESSION OF THE CLIENT**

7.1. In case of the Client's death the Bank shall be entitled to claim from his successor's submission of the documents confirming their right of succession.

7.2. The transformation, merger and division of a Client who is a legal person shall be certified on the basis of a corresponding extract of the register or in any other way provided in the law.

## **8. ACCEPTANCE OF DOCUMENTS**

8.1. The Client shall submit to the Bank an original document or notarized copies of documents.

8.2. The documents issued in a foreign country shall be:

8.2.1. Original documents or notarised copies, or certified copies having equivalent effect;

8.2.2. Legalized or certified by the certificate having equivalent effect (apostil) according to country, except in case the Contract signed between the Republic of Estonia and the respective foreign country stipulates otherwise.

8.3. The Bank shall be entitled to keep the documents submitted by the Client or his representative (excl. identity document) or to make a copy thereof.

8.4. In case of documents in a foreign language the Bank shall be entitled to additionally demand the translation of the documents into Estonian or any other language determined by the Bank. The translation shall be done by a sworn translator, or the translator's signature shall be notarised.

8.5. The Bank shall be entitled to assume the authenticity, validity and rightness of the document submitted by the Client.

8.6. In case the authenticity of the document is doubted, the Bank shall be entitled to refuse to perform the transaction and also request the submission of supplementary data or documents.

## **9. CONCLUSION OF CONTRACT**

9.1. The relations between the Bank and the Client shall be regulated by written Contracts or by the Contracts in any other format, if the law does not provide for the mandatory format of the contract. The Contract shall be concluded in writing, if the service offered by the Bank is used for the first time, when the bank account possession is not required for that respect, or for opening the account for the first time.

9.2. If the person, and the contract conditions he or she applies for, are in compliance with the law and the standard conditions of the Bank, the Bank shall be obligated to conclude a settlement contract with the person at the latter's request. The existence of the latter is the prerequisite of concluding basic payment service contract.

9.3. The Bank shall be entitled to refuse to conclude a contract with a person, first and foremost, if:

9.3.1. A person or a legal person associated with him has deliberately or due to grave negligence submitted incorrect or insufficient data to the Bank or to a legal person belonging to the same consolidated group as the Bank or refuses to submit data;

9.3.2. A person or a legal person associated with him has not submitted to the Bank or to a legal person belonging to the same consolidated group as the Bank sufficient data or documents facilitating his identification or certifying the legal origin of his/her financial funds or he/she is suspected of money laundering for any other reason;

9.3.3. A person, or a legal person associated with him, has outstanding commitments (overdue debt) to the Bank or to a legal person belonging to the same consolidated group as the Bank;

9.3.4. The activity or failure to act by a person or a legal person associated with him/her has inflicted damage or posed actual danger for arising of damage to the Bank or to a legal person belonging to the same consolidated group as the Bank;

9.3.5. The document submitted by the person to the Bank bears signs of falsification or does not correspond to the Bank's requirements for any other reason;

9.3.6. The person is not in compliance with the requirements set forth by the Estonian Banking Association in its recommended general measures for credit institutions as to the relationship with legal persons of foreign countries for the purpose of enhancing the money laundering prevention activity;

9.3.7. When applying to the conclusion of basic payment service contract, person is not able to prove to the Bank his/her connection with Estonia, for example person's residence, residence of the spouse, children or parents, person's workplace, person's commercial activities in Estonia, person's studies in Estonia etc;

9.3.8. On any other basis proceeding from the law, especially if some legal hindrance, such as restricted active legal capacity, inconsistency or absence of representational rights hinders the conclusion of contract.

9.4. The decision of the Bank on the refusal to conclude a settlement contract or basic service contract shall be based on the Bank's detailed consideration of circumstances of each single case, and the decision is taken proceeding from the principle of reasonableness.

## **10. SIGNATURE**

10.1. The Bank shall accept the signature signed by the Client in his/her own hand, and the signature signed by the representative of the Client in his/her own hand (in case these signatures correspond to the specimen signatures contained in the Bank's specimen signatures card) and on the terms and conditions and pursuant to the procedure provided in the Service Conditions and/or Contract also the codes forwarded electronically or orally.

10.2. In case of execution of the specimen signatures card or the replacement thereof (in case of a change of name etc.) the Bank shall be entitled to demand making a signature in the Bank or, if it is impossible, the notarised certification of the signature.

10.3. In the cases provided by the law documents can be signed by digital signature, whereas the certificate granting the right for it has been issued by the certification service provider approved by the Bank.

10.4. The Bank and the Client can sign documents sent to each other with a digital signature pursuant to the terms and conditions established by the Bank as of the date what the Bank has notified to the Client. The digital signature shall have the same legal meaning and consequences as a hand-written signature.

10.5. The Bank shall not be required to establish/state the falsification of the written signature of the Client or his/her representative except in case this is an evident falsification. The Bank assesses the signature only by way of simple visual analysis and the Bank's employee executing the inspection has no special knowledge therefore nor is he/she an expert or other specialist whose analysis could be subject to increased requirements.

## **11. RECIPROCAL INFORMATION**

11.1. The bank shall inform the Client through notices and information sheets displayed in its service centres, the notices published in mass media, its website on the Internet and personal notices forwarded by post or another means of communication (e.g. e-mail) or by sending an SMS with a mobile phone.

11.2. If the Client has notified the Bank of his or her contact information (e.g. postal or e-mail address, number of a means of communication), he or she has thus agreed that the Bank may send the Client information about changes in the General Conditions, Service Conditions and Price list by using the above-mentioned contact data and may send the information of a legal person belonging to the Bank Group or of a third person related to provision of the Bank's services to the Client. The Client may recall his/her such consent in the written form.

11.3. Unless otherwise prescribed in the respective information forwarded to the Client, the information sent to the Client by the Bank shall not be considered as an offer made or advice for conducting a transaction.

11.4. Personal notices are considered to be received and the notification obligation of the Bank fulfilled, when the notices have been sent to the address or to the telecommunications number submitted by the Client in the Contract or last in writing, and the period, usually needed for forwarding a notice by letter post or by the corresponding telecommunications means, has elapsed.

11.5. The Client shall promptly notify the Bank in writing or in any other way previously agreed upon, of all the facts, which are relevant in relation to the corresponding business relationship or influence or may influence the performance of the obligations by the Client or the Bank, incl. the change of the name, address or representative) as well as circumstances that have an impact or may have an impact on the performance of the obligations for the Bank by the Client (e.g. emergence of insolvency, bankruptcy proceeding and other events of relevant influence). The legal person shall notify the Bank also of the transformation, merger or division of the legal person, and of the announcement of bankruptcy or initiating of the liquidation proceeding. The said notification obligation is valid also when the aforementioned changes have been registered in a public register or publicized through media.

11.6. If the Client has failed to fulfil the notification obligation established in the previous sub-clause, the Bank assumes the truth of the information at its disposal and is not responsible for the damage inflicted to the Client and/or third persons by the Client's non-performance of the notification obligation to the Bank, except for when the damage has arisen from the intent or grave negligence of the Bank.

11.7. The Bank shall be entitled (but not obligated) to require from the Client the submission of the originals of the documents serving as basis for the changes or notarised transcripts of them.

11.8. The Client shall be obligated to promptly check the truth and correctness of the information contained in the account statement received from the Bank. When detecting an inaccuracy the Client shall promptly notify the Bank thereof.

11.9. In case of non-receipt of an account notice or any other notice periodically issued by the Bank to the Client, the Client shall immediately but not later than within 10 days from the day, when he/she should, according to the agreement, have received the notice from the Bank, notify the Bank thereof.

11.10. The Client shall immediately notify the Bank of the loss or theft of his/her personal identification document or another means of identification (e.g. the Internet bank security element, digital passport or code card) or loss of possession thereof against his or her will. Until the receipt of the respective information the Bank shall be entitled to assume that the Client (or the authorised representative) would use the above means himself/herself and shall not be responsible to the Client in case this is not so.

## **12. ORDERS BY THE CLIENT**

12.1. The Client shall submit his/her orders to the Bank in writing or in any other way agreed between the parties or accepted by the Bank.

12.2. The Bank shall be entitled to assume that the content of the order submitted by the Client corresponds to the will of the Client.

12.3. In general the Bank shall fulfil only such orders submitted by the Client which have been executed correctly and as required, are unambiguous, executable and clearly demonstrate the Client's will. The Bank shall not bear any liability for ambiguities, mistakes and forwarding errors in the orders. The same also applies to accidental repetition of orders. The Bank shall reserve the right to determine the insignificant errors/ ambiguities upon the occurrence of which the Bank shall nevertheless execute the Client's order. In case of misunderstanding the bank shall be entitled to claim from the Client additional information or documents.

12.4. The Bank shall be entitled to record and maintain all the orders forwarded by any means of communication, and also the other operations during the use of services, and to use the respective recordings in case of need, in order to prove the orders delivered by the Client or other operations.

## **13. PERFORMANCE OF THE CLIENT'S ORDERS**

13.1. The Bank shall perform the orders of the Client the giving and performance thereof is permitted by legal acts, General Conditions, Service Conditions and the Contract.

13.2. Before performing the order the Bank shall be entitled to demand from the Client documentary evidence certifying the legal origin of money or other property used for performing the transaction. The Bank shall be entitled not to perform the Client's order, if the Client fails to certify the origin of the money or any other property used for performing the transaction, or the Bank suspects for any other reason that the transaction is related to money laundering.

13.3. The Bank shall be entitled not to perform the Client's order which does not meet the requirements stipulated in clauses 12.3 and 13.3. The Client receives information on the performance or non-performance of the Client's order from the account statement.

13.4. The Client shall establish all the prerequisites and conditions depending on him which are necessary for the performance of his/her orders. If the Client has failed to fulfil this obligation, the Bank shall be entitled not to perform the corresponding order submitted by the Client, whereas the Bank is not responsible for the damage inflicted to the Client or any third persons by the non-performance of the order. The Client shall first of all ensure a sufficient amount of money or other assets for the performance of order submitted to the Bank. Upon the absence of sufficient amount of money and unless agreed otherwise, the Bank shall be entitled not to perform the order.

13.5. The Bank shall be entitled to refuse cancellation of the Client's order accepted for execution.

13.6. If the Bank has doubts about the legality of the order, it shall be entitled to demand an additional confirmation at the account of the Client in the form and/or the manner accepted by the Bank prior to the execution of the order.

13.7. The Bank shall be entitled to determine the manner of execution of the order having insignificant defects according to the Bank's estimation proceeding from the general practice applied in the banks and principles of sound banking management or reject execution of the order. The Bank shall not bear liability for the order executed on the aforementioned grounds or the claims arising from non-execution of such order.

13.8. The Bank shall be entitled to partially or fully transfer performance of its obligation to a third person provided that it arises from the essence of the obligation or is more expedient for the purpose of performance of the obligation in consideration of the Client's interests. In such case the Bank's responsibility shall be limited solely to the careful selection of the third person.

13.9. The Bank shall perform the Client's orders within the period prescribed by legal acts of the Republic of Estonia and the Service Conditions or Contract.

13.10. The Bank shall not bear any liability for the deadlines for the performance of the Client's obligations or requirements established by the Client or a third person or the damage or loss caused by the client or a third person.

## **14. DELAYS**

14.1. Unless the Bank and the Client have agreed otherwise, the Bank shall pay fine for delay for the delay in the fulfilment of the order in the extent of the interest rate provided by the legal acts of the Republic of Estonia.

14.2. The Bank shall not pay fine for delay for the delay caused in the performance of the order, if the respective order was incorrectly executed by the Client, was inconsistent or did not meet other requirements laid down by the Bank.

## **15. TRANSACTIONS IN FOREIGN CURRENCY**

15.1. The Bank shall be entitled to apply to the transactions and operations performed by the Client in foreign currency all the conditions and restrictions which have been established in the country of origin of this currency, or which influence the Bank when performing the transactions or investments in this currency.

15.2. The Bank shall be entitled to postpone the performance of the obligations in a foreign currency or apply restrictions to it, if such a postponement or application of restrictions is caused by *force majeure* in the country of origin of the currency. The above shall not apply to the transactions within the Bank, as well as to the setting off of claims.

15.3. Unless agreed otherwise, the obligations denominated in a foreign currency shall be performed in the same currency.

## **16. SET-OFF**

16.1. If not agreed otherwise or provided otherwise in the law, the Bank shall be entitled to set off the reciprocal claims.

16.2. The Bank shall be entitled to withhold from the accounts of the Client in the first priority the amounts payable to the Bank, the amounts which have become collectible, also if, after the amounts have become collectible, and before their actual withholding by the Bank, other payment orders have been submitted by the Client or third persons, unless otherwise provided by the law.

16.3. The Bank shall notify the Client of the performed set-off in accordance with the Contract or the law.

## **17. SERVICE FEES, INTEREST, EXCHANGE RATES AND ARREARS**

17.1. The lists and prices of the services provided and transactions performed by the Bank for the Client are specified in the Price List. The Bank shall be entitled to take and the Client shall be obligated to pay the fee specified in the Price List valid as of the date of provision of the service or the due payment term for the services provided.

17.2. The Bank and the Client may on the basis of the Contract agree to the service fees other than those specified in the Price List.

17.3. In addition to what is provided in the Price List or in the Contract the Client shall bear the costs of all the necessary operations performed by the Bank in the interest of the Client (e.g. postage and telephone expenses, notary fees, unforeseeable additional remunerations, deposition fees, etc.).

17.4. The Bank shall withhold service fees and other payable sums and arrears from the Client's account referred to in the Contract.

17.5. The Bank shall be entitled to choose the order by which service fees and other sums payable to the Bank and arrears shall be withheld.

17.6. If there are insufficient financial funds on the account referred to in the Contract for paying service fees or other sums and arrears payable to the Bank, the Bank shall be entitled to withhold service fees and other sums payable to the Bank and arrears from any account of the Client according to its choice. Including also from the foreign currency deposited in the account, and from the sums received in the Client's accounts at any time, and this applies also in case the Client has submitted other orders with respect to these sums after the sums have become collectible and before their actual withholding by the Bank.

17.7. The Bank shall calculate interest rate on the basis it has stipulated for the service in the Price list or in the Contract.

17.8. The bank is entitled to unilaterally change the interest rate and the procedure of interest calculation. If the interest rate and the procedure of interest calculation have been set in the Contract, interest can be changed by mutual consent of the Parties, except for the case it has been determined differently in the Contract.

17.9. Interest shall be calculated and paid out or debited in accordance with the Service Conditions.

17.10. The bank shall set an exchange rate for the currency utilized in transactions. The Client can find information about the exchange rate in the Bank office or at the Bank's web page on the Internet.

## **18. SECURITY FOR BANK'S CLAIMS**

18.1. The Bank shall be entitled to claim security from the Client in order to ensure the proper performance of all the contractual obligations of the Client.

18.2. The Bank shall be entitled to claim security from the Client or the increase of the existing guarantee, if the conditions underlying the relationship between the Client and the Bank, and the named change influences, or may influence, the Client's proper performance of his/her obligations. Such changes are:

18.2.1. Deterioration or risk of deterioration of the Client's economic situation;

18.2.2. Deterioration or risk of deterioration of the value of the security ensuring the performance of obligations by the Client;

18.2.3. Other circumstances which influence or may influence the proper performance of obligations of the Client to the Bank.

## **19. ERRONEOUS TRANSFERS AND INSPECTION OF CASH TRANSACTIONS**

19.1. In case an amount of money or other asset not belonging to the Client has been groundlessly transferred to the Client's

account, or money has been withheld from the account by mistake, for withholding of which the Client has not given his or her consent, the Client shall undertake to immediately inform the Bank of it after having discovered the wrong transfer but not later than within 13 (thirteen) months as from the occurrence date of the transfer.

19.2. The Client shall be obligated to deliver (return) the amount of money or other asset stipulated in sub-clause 19.1. to the Bank immediately in accordance with the respective instructions issued by the Bank.

19.3. The Bank shall be entitled, despite the stipulation of sub-clause 19.2, to withdraw from the account any amounts or other assets transferred to the Client's account erroneously, without a legal base, by making a corrective entry without asking the Client for permission or informing the Client. For returning the money withheld erroneously from the account, the Client shall submit a written application to the Bank.

19.4. The Client shall be obligated to count the sums transferred to the account in cash prior to the act of paying in, and the sums paid out from the account immediately after receiving them and submit the resulting claims immediately and on the spot. The Bank shall not be obligated to consider any later complaints.

19.5. The Client, as a consumer, is entitled to contest the unauthorized transaction or transaction executed by mistake immediately, but not later than within 13 (thirteen) months as of the moment of withdrawal of funds from the account. All other Clients are entitled to contest the unauthorized transaction or transaction executed by mistake immediately, but not later than within 3 (three) months as of the moment of withdrawal of funds from the account.

19.6. The Client is not entitled to contest the transaction for execution of which the Client had given his consent, excl. the person who provided the respective service consents to the refund of the transaction or the Client is entitled to a refund according to the rules of the International Payment Card Organisations.

## **20. LIABILITY**

20.1. The Bank and the Client shall perform their obligations in good faith, reasonably, following the requirements of diligence in compliance with the general banking practice and principles of sound banking management.

20.2. The parties shall be liable for the damage inflicted to either party due to the other party's failure to perform his/her obligations or his/her improper performance thereof.

20.3. The Client shall not be liable for the violation of his/her obligations, if he/she certifies that he/she did not perform his/her obligation or performed it improperly due to *force majeure*.

20.4. The Bank shall not be responsible for the damage inflicted to the Client which has arisen due to *force majeure*, incl. illegal disturbance of the Bank's activity by third parties (bomb threats, bank robbery), also due to any other event not caused by the Bank and independent of the Bank (e.g. a strike, moratorium, power disruption, failure of communication lines, natural catastrophe, technological catastrophe, fire, mass riots, acts of war, enforcement of a legal act obstructing the functional activity of the Bank etc.) and for the damage caused due to the activity of national authorities.

20.5. The Bank shall be responsible for the activities or the Bank's employees or for the words of the employees only in case the Bank's employees were acting within their competence, during the Bank's working hours or fulfilling the instructions of the Bank's management.

20.6. The Bank shall not bear liability for:

- 20.6.1. Indirect damage or loss caused to the Client;
- 20.6.2. the damage or loss caused by the change of currency or interest rates;
- 20.6.3. the damage arising from Bank's unawareness of the absence of the passive or active legal capacity of the Client.

## **21. BANKING SECRETS AND PROCESSING OF CLIENT'S PERSONAL DATA**

21.1. The Bank shall maintain indefinitely confidentiality of all data treated as a banking secret under the law of the Republic of Estonia.

21.2. The Bank shall be entitled to disclose banking secrets only upon the consent of the Client, unless the right or obligation of disclosure of banking secrets of the Bank arises from legal acts.

21.3. On the basis of § 1 of the Personal Data Protection Act the Bank's Client's as physical persons and the representatives as physical persons of the Client's as legal persons are dealt with as the Client in clause 21.4 General Conditions.

### **21.4. Permission of Client for processing personal data. The Client is aware of and agrees that the Bank processes Client's personal data in accordance with the principles stipulated in clause 21 of General Conditions.**

21.4.1. The Bank processes personal data, which has become known to the Bank under the Contract or in any other way as follows:

21.4.1.1. Client's personal data (name, personal ID code, date of birth, data of identity document, etc) mainly for Client identification;

21.4.1.2. Client's contact data (phone number, address, e-mail address, etc) mainly for communication and financial services offers to the Client;

21.4.1.3. Data on the proficiency of the Client (education, position, banking experience, etc) mainly for assessing the proficiency of the Client;

21.4.1.4. Client's financial data (income, property, obligations, previous payment history, etc) mainly for the ascertaining the creditworthiness of the Client and for offering financial services that are suitable for the Client;

21.4.1.5. Data on the origin of funds of the Client (data on the employer, transaction parties and business activity, etc) mainly for the prevention of terrorist financing and money laundering;

21.4.2. Sub-clauses 21.4.1.1-21.4.1.5 of the Bank's General Conditions stipulates the main objective for processing each data category. For reasonable needs, the Bank is entitled to process data, belonging into a certain data category also on other reasons, prescribed in sub-clauses 21.4.1.1-21.4.1.5 of the General Conditions. The Bank has the right to prepare lists of Client's data, analysed on different grounds (e.g. list of debtors, etc).

21.4.3. The Bank processes the personal data of the Client only for the achievement of the legitimate objectives and only within the scope needed for the fulfilment of the obligations set with the legal acts for the Bank, fulfilment of the Contracts concluded with the Client's, provision of the services to the Client's or mediation of services or the protection of the violated rights of the Bank. The Bank has the right to process the personal data of the Client within the period the person is the Client of the Bank and after the end of the client relationship with the Bank within the period set with the legal acts.

21.4.4. The Bank processes Client's personal data also with the purpose of conducting statistical studies and analyses on the market shares of client groups, products and services and other financial indicators and for reporting and risk management purposes.

21.4.5. The Bank may use the Client's data for offering and advertising a product or service of the Bank, a legal person belonging to the same Group with the Bank or also of a contractual partner. The Client may refuse the advertisements and offers at any time by informing the Bank thereof.

21.4.6. Forwarding Client's personal data to third persons. **The Client is aware of and agrees that Bank may forward the Client's data, incl. personal data and information, subject of banking secrecy:**

21.4.6.1. to legal person belonging to the same Group with the Bank;

21.4.6.2. To persons (incl. authorised processors and third persons) and organisations (e.g. international card organisations, translation, communication, printing, postal and IT-service providers, insurance providers, notaries, etc) involved in providing banking services;

21.4.6.3. to correspondent banks and payment intermediaries incl. to SWIFT (Society for Worldwide Interbank Financial Telecommunication, [www.swift.com](http://www.swift.com)), involved in the fulfilment of domestic urgent payments and international bank transactions (e.g. payments, executed to foreign countries, in foreign currency, payments and securities transactions to foreign currency, processing of cheques, etc), accordingly the Bank may be obliged to disclose the data of the bank transaction and the related personal data of the Client to the foreign authorities (incl. the authorities of the United States of America). Primarily, these data shall be processed in order to prevent money laundering and terrorist financing. If a financial institution (correspondent bank or payment intermediary) located in a country with inadequate data protection level has been involved in the fulfilment of international bank transaction, the Bank can not ensure that when processing the Client's data by the financial institutions, located in the said countries, the data processor has the same obligations and the Client's are guaranteed the same rights as when processing the data in an EU member state or in another country with adequate level of data protection;

21.4.6.4. to correspondent banks and payment intermediaries or to persons, related to the Client's transaction, considering the requirements, stipulated in law, considering the purpose of fulfilment of the obligations, arising from Money Laundering and Terrorist Financing Prevention Act and ascertain origin of funds, used in the Client's transactions;

21.4.6.5. to data registries (incl. AS Krediidinfo) and payment default registry, where the Bank forwards data on the basis of law or an agreement;

21.4.6.6. to other third persons due the Bank's need to fulfil the concluded agreements or protect its legal rights;

21.4.6.7. to the payment initiation service provider and to account information service provider in accordance with legislation regulating the activity of aforementioned persons.

21.4.7. The Bank may supplement its databases of with information obtained from public registries or state or local government databanks, if forwarding the information or enabling access to the same is in conformity with law.

21.4.8. The Client authorises the Bank to ask for additional information from the legal persons belonging to the same Group with the Bank.

### **21.4.9. Client's rights upon personal data processing.**

21.4.9.1. The Client may access his data at any time. The Client may also demand making corrections to his data, if the latter has changed or are inaccurate for any other reason.

21.4.9.2. The Client shall be entitled to demand the termination of processing of his personal data, termination of revealing, granting access thereto and/or deletion of the collected data provided the

respective right arises from the Personal Data Protection Act or any other legislation.

21.4.9.3. In case the Client finds that Bank is violating his rights while processing Client's personal data, he shall be entitled to approach the Data Protection Inspectorate or court.

21.4.9.4. The processing of personal data of the Client is permitted without the Client's consent if the personal data is being processed on the basis of law, international agreement or in order to fulfill the task stipulated by directly applicable legislation of the Council of the European Union or European Commission, in individual cases for the protection of life, health or freedom of the data subject or another person, if the Client can't obtain consent and to perform the Contract or to ensure performance of the Contract (except for the processing of sensitive personal data).

21.4.9.5. The Bank has notified the Client of that the list of the persons authorized (authorized processors) to process the personal data and the contact data have been disclosed on the Bank's website on the Internet and this list is completed in case of changing the data within the reasonable time period.

## **22. THE RIGHTS OF THE BANK IN PREVENTING MONEY LAUNDERING AND TERRORIST FINANCING.**

22.1 For preventing money laundering and terrorist financing the Bank has the right:

22.1.1. upon conclusion of the Contract or in course of performance of the Contract to ask additional information concerning the Client's business activity, including data on the contractual partners, turnover, the portion of cash and non-cash transactions, frequency of transactions, etc;

22.1.2. to ask from the Client for ascertaining the legal origin of the funds or assets used in the transaction documents serving as grounds to the transaction (e.g. purchase-sale contracts, contracts for services, consignment notes, customs documents, bills, etc) and information on the transaction party or another person connected with the transaction.

22.1.3. Not to fulfil the payment order without the payment specification or this is inadequate;

22.1.4. the Bank will be entitled to refuse to carry out the transaction or return the funds, received for the Client, to the remitter of the funds, if the Client fails to present documents evidencing the legal origin of funds or assets used in the transaction.

## **23. SETTLEMENT OF DISPUTES**

23.1. An attempt shall be made to settle any disputes between the Bank and the Client immediately after the occurrence of disputes on the spot.

23.2. If it is impossible to settle the disputes on the spot, the party raising the claim shall be entitled to submit a written claim to the other party.

23.3. The claim shall indicate the circumstances causing the raising of the claim and refer to the legal act or document on the basis of which the claim is being raised. If the document underlying the claim is not freely available to the other party, and the law does not provide otherwise, the party raising the claim shall attach the named document.

23.4. Complaints related with the payment services will be replied by the Bank within 15 business days of receipt of the complaint. When reasons occur that are beyond the control of the Bank or the complaint is complex, then the Bank may extend the period to 35 business days.

23.5. If the Parties fail to settle their dispute by way of negotiation, then all disputes between the Bank and the Client shall be finally

settled in Harju County Court if Parties have not agreed differently or if the law does not stipulate differently.

23.6. The consumer has the right to turn to Consumer Protection Board, located at Pronksi 12, Tallinn 10117, telephone: 6201707, e-mail: [info@tarbijakaitseamet.ee](mailto:info@tarbijakaitseamet.ee), web page on the Internet: [www.tarbijakaitseamet.ee](http://www.tarbijakaitseamet.ee).

23.7. Supervision of the Bank is performed by the Financial Supervision Authority, located at Sakala 4, 15030 Tallinn; telephone: 6680500, e-mail: [info@fi.ee](mailto:info@fi.ee), web page on the Internet: [www.fi.ee](http://www.fi.ee).

## **24. BLOCKING OF THE ACCOUNT**

24.1. Blocking of the account shall mean a partial or total stopping of the performance of transactions with the means in the account.

24.2. As a rule the Bank shall block and open the opportunity to use the blocked account or service on the basis of the Client's corresponding written order, or the order agreed on between the Client and the Bank and delivered by some other way.

24.3. The Bank may block the account or service on the basis of an oral order of the Client. In case the identity of the person submitting the order is doubted, the Bank shall be entitled not to block the account or service, or demand written confirmation of the order within the time determined by the Bank. If the Client fails to submit the written confirmation during the term, the Bank shall be entitled to end the blocking of the account or service.

24.4. In the cases provided in the previous sub-clause the Bank shall not be responsible for the damage inflicted due to not blocking the Client's opportunity to use the account or service, or due to ending the blocking.

24.5. The Bank shall be entitled to block the Client's account or service unilaterally, without giving an advance notice to the Client, if:

24.5.1. The Client lacks financial means for meeting the requirements issued by the Bank;

24.5.2. The Bank receives information certified with written documents about the death of the Client or liquidation or deletion from registry of the Client who is a legal person or commencement of bankruptcy proceedings;

24.5.3. The Client fails to submit the documents required by the Bank, or submits inconsistent documents about the persons possessing representational rights, or documents the correctness of which the Bank has grounds to suspect;

24.5.4. the Bank suspects the Client of money laundering;

24.5.5. the Client's account has been attached.

24.6. The Bank shall end the blocking of the account at the elimination of the circumstances underlying the blocking.

24.7. The Bank shall not be liable for the damage arising from the blocking of the Client's opportunity to use the account or service.

## **25. ATTACHMENT OF ACCOUNT**

25.1. The Client's account may be attached only in the order provided by the law of the Republic of Estonia (including upon the order of a tax authority or a bailiff).

25.2. The Bank shall release the Client's account from the attachment on the basis of a respective resolution of the body that issued the attachment decision, regulation or precept or on the basis of the enforced judicial decision.

## **26. TERMINATION OF THE PROVISION OF SERVICES**

26.1. If necessary, the Bank shall be entitled to suspend the provision of services in connection with the scheduled maintenance and development works of the information system and fixing of failures.

26.2. If possible, the Bank shall perform the scheduled maintenance and development works during in the night hours.

26.3. The Bank shall be entitled to perform extraordinary maintenance or development works upon the occurrence of the extraordinary circumstances in order to prevent the occurrence of a greater loss.

26.4. The Bank's performance of the obligations arising from the Contract is suspended on the basis of the provisions of this chapter only for the period of maintenance and development works.

## **27. EXTRAORDINARY CANCELLATION OF THE CONTRACT BY THE BANK**

27.1. The Bank shall be entitled to unilaterally and immediately cancel the Contract with good reason.

27.2. A reason shall be considered a good reason primarily if:

27.2.1. The Client or a legal person connected to him or her has violated an obligation the precise observance of which is a prerequisite for the continuing interest of the Bank for continuing the performance of the Contract. Such obligations of the Client primarily include:

- Presentation of correct, complete and truthful information to the Bank or another legal person belonging to the same Group upon identification of the person;
- Notification of changes in the information set forth in the Contracts or the documents presented to the Bank;
- Presentation of the information and documents verifying the legality of one's economic activities, money or other assets or property at the Bank's request;
- Presentation of actual information about one's economic situation provided that such information is of significant importance to the Bank upon making credit decisions or other operations in the interest of the Bank or the Client himself/herself;

- Notification of the Bank of the deterioration of one's economic situation or other circumstances that may hinder the performance of the Client's obligations to the Bank in the due manner.

27.2.2. The Bank suspects the Client of money laundering, incl. upon conducting transactions, of using dummies;

27.2.3. The Client has intentionally or due to severe negligence failed to perform his/her obligation arising from the Contract;

27.2.4. The Client has intentionally or due to severe negligence caused damage or loss or a risk of actual damage or loss to the Bank Group by his/her actions or failure to act.

27.2.5. The Client has failed to perform his/her obligation, which arises from any contract concluded with the Bank Group and this fact constitutes a good reason for the Bank to assume that the Client will not perform his or her contractual obligations in the future (e.g. the Client repeatedly has interest on arrears);

27.2.6. An event which, according to the reasoned opinion of the Bank, may hinder due performance of the Client's obligations arising from the Contract or which has or may have a considerable adverse effect on the Client's business activities or the financial situation (e.g. the Client's bankruptcy or liquidation proceedings) has occurred.

27.2.7. If the Client or a legal person associated with him/her has submitted incorrect or insufficient data to the Bank or to a legal person belonging to the same group with the Bank, or refuses to submit the data or documents;

27.2.8. On any other basis arising from law, especially if some legal hindrance, such as restricted active legal capacity or the absence of it, inconsistency or absence of representational rights, hinders the continuation of the contract.

27.3. Before extraordinary termination of the Contract, the Bank shall weigh all the circumstances from all perspectives and make the decision on the basis of the principle of reasonableness.