

## 1. GENERAL PROVISIONS

1.1 These General Terms & Conditions (hereinafter the **General Conditions**) stipulate the general bases for regulating the relationship between AS Citadele banka (registration number: 40103303559; location address: Republikas laukums 2A, Riga, Republic of Latvia, LV-1010) Estonia branch (registry code: 11971924; location address: Narva mnt 63/1, 10152 Tallinn, e-mail: [info@citadele.ee](mailto:info@citadele.ee), telephone: 7700000, fax: 7700001, hereinafter the **Bank**) and the client in order to guarantee their reliability, clarity and understandability and the security of banking transactions.

1.2. The General Conditions regulate the relationships between the Bank and all legal entities and natural persons (hereinafter **Corporate Client** and **Private Client**, respectively) that use or want to use the services of the Bank.

1.3 The General Conditions, terms and conditions of service and price list can be viewed at the service centres of the Bank or on the website [www.citadele.ee](http://www.citadele.ee).

## 2. APPLICATION OF GENERAL CONDITIONS

2.1 The relationships between the Bank and the Client proceed from the legislation effective in the Republic of Estonia, good banking practices, the General Conditions of the Bank, terms and conditions of products and services (hereinafter **Service Conditions**) and the contract made between the Bank and the Client (hereinafter **Contract**) as well as good faith and the principle of reasonability.

2.2 The General Conditions are applied to all legal relationships between the Bank and the Client, incl. the contractual relationships, which have arisen before the General Conditions entered into force and are effective on the day the General Conditions enter into force, unless otherwise agreed in the Contract.

2.3 In the event of a conflict between the General Conditions and the Service Conditions, the Service Conditions are applied in the respective parts. In the event of a conflict between the Service Conditions, the General Conditions and the Contract, the terms and conditions of the Contract are applied in the respective parts.

2.5 The parties communicate in Estonian or in another language agreed between them.

2.6 If the content of the text in Estonian and in a foreign language is different, the Estonian text will prevail.

## 3. ESTABLISHMENT AND AMENDMENT OF GENERAL CONDITIONS, PRODUCT CONDITIONS AND PRICE LIST

3.1 The Bank establishes the General Conditions, the Service Conditions and the price list.

3.2 The Bank has the right to unilaterally amend the General Conditions, the Service Conditions and the price list.

3.3 The Bank gives notice of amendment of the General Conditions, Service Conditions and price list one (1) month in advance via the website of the Bank and at the service centres of the Bank.

3.4 The Bank informs a Private Client of the amendment of the General Conditions, Service Conditions and the price list at least two (2) months in advance and on a permanent data medium.

3.5 The Client may cancel the relevant Contract if the amendments to the General Conditions, Service Conditions or price list are not acceptable to them. For this purpose, they will submit a written notice to the Bank within the above deadline.

3.6 The Bank may amend the price list without notice in justified cases, excl. the price list of payment services for Private Clients, by

notifying the Client about this immediately via the service centre and Bank's website.

## 4. APPLICABLE LAW AND JURISDICTION

4.1 The law of Estonia is applied to the relationships between the Bank and the Client.

4.2 The relationships between the Bank and the Client are regulated by the law of a foreign country only if this is stipulated in the Contract or required by law or an international agreement.

4.3 Any court dispute between the Bank and the Client will be resolved in Harju County Court unless agreed otherwise by the parties.

## 5. IDENTIFICATION

5.1 A person or their representative submit the data and documents requested by the Bank for identification purposes.

5.2 The Bank identifies a natural person on the basis of an identity document acceptable to the Bank (e.g. passport, ID card, Estonian driving licence).

5.3 The Bank identifies a legal entity on the basis of an effective registry extract or another document required by the Bank (e.g. registration certificate, articles of association, certificate of a competent authority).

5.4 The representative of a legal entity under establishment, who has been appointed in the memorandum of association or foundation resolution, or a representative who acts on the basis of a power of attorney must submit the memorandum of association, foundation resolution or relevant power of attorney to the Bank.

5.5 The Bank identifies the representative of a legal entity or a legal entity under establishment as a natural person.

5.6 The Bank identifies a foreign legal entity on the basis of an extract from the relevant registry of the foreign country, the registration certificate or another document accepted by the Bank.

5.7 The Bank may identify the Client or their representative via a means of communication suitable for the Bank, a means that can be used for digital identification or in another agreed manner.

## 6. REPRESENTATION

6.1 A Private Client concludes transactions personally or via a representative, a Corporate Client via a representative.

6.2 In addition to the Client, the Client's money or other assets (e.g. securities) may be disposed of by a person whose right of representation is accepted by the Bank (e.g. a person entered on the specimen signature card).

6.2 Upon the request of the Bank, the Private Client must conclude a transaction personally and the Corporate Client via a legal representative.

6.3 The Bank may not accept a document certifying the right of representation in which the right of representation or will has not been expressed clearly and unambiguously.

6.4 The document certifying the right of representation must be in the format required by the Bank.

6.5 The Bank may demand that the document certifying the right of representation which has been prepared outside the Bank be notarised or attested in an equivalent manner.

6.6 The Client must immediately inform the Bank of the withdrawal and annulment of the power of attorney and must do so even if they publish this in *Ametlikud Teadaanded*.

## 7. REQUIREMENTS FOR DOCUMENTS

7.1 The Client submits to the Bank an original document or notarised copies thereof or equivalently attested copies thereof.

7.2 Documents issued in a foreign country must be:

7.2.1 original documents or notarised copies thereof or equivalently attested copies thereof;

7.2.2 legalised or attested with a certificate used instead of legalisation (apostille) according to the country, unless otherwise determined with an agreement between the Republic of Estonia and the relevant foreign country.

7.3 The Bank may keep the submitted documents (excl. identity documents) or make copies thereof.

7.4 The Bank may require the translation of documents in foreign languages into Estonian or another language. The translation must be done by a sworn translator.

7.5. The expenses related to the preparation, translation or certification of documents are paid by the Client.

7.6. The Bank presumes that the documents submitted by the Client are authentic, valid and correct.

7.7. The Bank may decide to not conclude the transaction or require additional data or documents if it has doubts about the authenticity of a document.

## 8. ENTRY INTO CONTRACT

8.1 The Bank's relationships with the Client are regulated with contracts entered into in writing or in a format that can be reproduced in writing or in an electronic format.

8.2 The Bank can decide with whom to enter or not to enter into the Contract. If the Bank is obliged to enter into the Contract pursuant to legislation, the Bank will enter into the relevant Contract if the Client complies with the conditions of the Bank and submits all required data and documents to the Bank.

8.3 The Bank may primarily refuse to enter into the Contract if the Client or a person related to them:

8.3.1 has not submitted the data and documents (e.g. the data of the beneficial owner or a partner) required for identification or the performance of another due diligence measure on the demand of the Bank or a legal entity belonging to the same consolidation group as the Bank, or the submitted data are incorrect, incomplete or do not comply with the requirements of the Bank;

8.3.2 has not submitted data or documents about the nature and objectives of their business or professional activities, the origin of wealth or the origin of the assets used in economic or everyday transactions to the Bank or a legal entity belonging to the same consolidation group as the Bank, or if the Bank suspects on the basis of said data and documents that the activity may be illegal or constitute money laundering or terrorist financing;

8.3.3 has received a negative answer to the application for opening an account or entering into another contract from the Bank or a legal entity belonging to the same consolidation group as the Bank in the last five years or the business relationship with them has been terminated because the performance of due diligence has been impossible or in relation to suspicions that the Client or the person related to them uses a front in the transaction or that their business activity or activity may be related to unlawful activity, money laundering or terrorist financing;

8.3.4 is in debt to the Bank or a legal entity belonging to the same consolidation group as the Bank, another credit institution or third party (e.g. overdue loan repayment, interest payment, default interest, service charge or other debt);

8.3.5 has caused damage to the Bank or a real threat that damage, incl. reputation damage, may occur with an act they have committed;

8.3.6 has submitted a document with signs of forgery;

8.3.7 has, to the knowledge of the Bank, acted as a front, used a front or a shell company;

8.3.8 is the subject of an international sanction or another restriction (e.g. European Union or US sanctions) or is, in the opinion of the Bank, related to a person, territory, service or transaction in respect of which a sanction or another restriction has been established;

8.3.9 in the opinion of the Bank, operates either themselves or via a partner in a country or area of activity with a high risk of terrorist financing or money laundering (incl. but not limited to providers of the service of exchanging virtual currency for money and persons trading in virtual currencies, online casinos) or they operate without the required registration or licence;

8.3.10 has been convicted of money laundering or terrorist financing;

8.3.11 is a resident of a low-tax country or territory or has a legal entity registered in such a country or territory in its structure or among its partners;

8.3.12 is a legal person without independent operations, significant assets, continuing business activities, employees or who does not pay labour and other taxes or whose profit is unreasonably low considering their turnover;

8.3.13 is a politically exposed person;

8.3.14 according to recognised and reliable sources (e.g. public authorities, international organisations, international or national databases, correspondent banks, mass media), is or has been themselves or via partners associated with organised crime, money laundering, terrorist financing or tax evasion, also international sanctions or other national restrictions on transactions (e.g. European Union or US sanctions);

8.3.15 according to the decision of a competent authority or body (e.g. precept of a board, court ruling), has breached the requirements applicable in the area of activity or in the opinion of the Bank does not comply with the requirements of responsible operation and diligence in the respective area of activity;

8.3.16 holds a seized account in the Bank.

8.4. The Bank may refuse to enter into a payment service contract with a person that in the opinion of the Bank has no connection to Estonia.

8.4.1 A natural person primarily has a connection to Estonia if:

8.4.1.1 the person lives, studies, works in Estonia or has the right of residence in the European Union;

8.4.1.2 the person's spouse, children, parents live in Estonia;

8.4.1.3 the person owns property in Estonia;

8.4.1.4 the person pays taxes in Estonia;

8.4.1.5 the person is an e-resident, etc.

8.4.2 A legal entity primarily has a connection to Estonia if:

8.4.2.1 its owners are Estonian residents;

8.4.2.2 its owner is an e-resident;

8.4.2.3 the entity has business operations in Estonia (e.g. shop, production, warehouse, office, partners, employees);

8.4.2.4 the entity has investments in Estonia (e.g. property), etc.

8.5 The Bank may refuse to enter into the Contract on another basis arising from law (e.g. limited or no active legal capacity, contradictory rights of representation or no right of representation, etc.).

8.6 The Bank enters into a principal payment service contract with a person who has a residence permit or right of residence effective in Estonia. The Bank may refuse to enter into a principal payment service contract in the cases specified in clauses 8.3-8.5.

8.7 A precondition to entering into a principal payment service contract is the entry into a settlement contract; the Client is not obliged to enter into any additional contracts.

## 9. SIGNATURE

9.1 The Bank accepts the handwritten signature of the Client, the handwritten signature of the Client's representative (if they correspond to the specimen signature cards on the Bank's specimen signature card) and electronically or orally presented codes pursuant to the procedure set forth in the Service Conditions or the Contract.

9.2 Upon the preparation or amendment (e.g. in the case of name change) of the specimen signature card, the Bank may demand that the signature be given at the Bank or, if this is impossible, that the signature is attested by a notary.

9.3 In the cases permitted by law, documents may be signed with a digital signature if the certificate that allows such a signature has been issued by a certification service provider accepted by the Bank.

9.4 The Bank and the Client may use a digital certificate in mutual communication (e.g. signing documents and expressions of will electronically, digital identification of the Client).

9.5 The Bank does not ascertain the alleged forgery of the signature of the Client or their representative unless the forgery is obvious. The Bank only assesses written signatures visually and the employees of the Bank have no special knowledge for the identification of forgeries.

## 10. MUTUAL NOTIFICATION

10.1 The Bank informs the Client with messages in media, on the Bank's website or a branch of the Bank, if necessary by letter or the Internet Bank or via any other communication channel about which the Bank has been informed.

10.2 The Bank usually proceeds from the following when sending a personal message:

10.2.1 the Bank sends personal messages to a Client who has entered into an Internet Bank agreement to the Internet Bank;

10.2.2 the Bank sends personal messages to a Client who has not entered into an Internet Bank agreement:

- to the e-mail address given to the Bank;
- as a text message to the mobile number given to the Bank if the Client has not given an e-mail address to the Bank;
- by post if the Client has not given an e-mail address or mobile number to the Bank.

If the Bank has reason to believe that the data given by the Client are not correct (e.g. a letter sent to the Client was returned with the post office's or owner's/possessor's note that the Client does not live at this address), the Bank sends the messages to the contact details of the Client entered in the Population or Commercial Register.

10.3 Based on the content of the message, the Bank may deviate from clause 10.2 by sending the message to the address or telephone number from where the Client will, in the opinion of the Bank, receive the message in the best manner (e.g. the message is sent by text message straightaway).

10.4. A personal message sent by the Bank to the Client is deemed as received and the information obligation of the Bank as performed if the Bank's notification has been sent pursuant to clause 10.2 or 10.3 to the Internet Bank or the last postal address, e-mail address or telephone number given by the Client to the Bank or the contact details of the Client entered in the Population or Commercial Register if there is reason to believe that the data given by the Client are incorrect.

10.5 The Bank may decide not to send a personal message to the Client if there is reason to believe that the Client's address, e-mail address or telephone number known to the Bank is incomplete or incorrect.

10.6 The Client informs the Bank:

10.6.1 of all changes in the data given in the Contract entered into with the Bank or the documents submitted to the Bank (e.g. the name, citizenship, address of place of residence or location and postal address, e-mail address, telephone number, tax residency, area of activity, data of the beneficial owner and representative annulment of a power of attorney).

In addition to the above, a legal entity must inform the Bank of

- the transformation, merger or division of the legal entity;
- the declaration of bankruptcy;
- initiation of rehabilitation, compulsory dissolution or liquidation proceedings;
- deletion from the register. The Client submits the document that proves the respective change upon the request of the Bank.

10.6.2 circumstances that may cause the classification of the Client as a US person or the resident of another country;

10.6.3 circumstances that are prescribed in the Contract or that may affect the performance of an obligation arising from the Contract;

10.6.4 the loss or theft of their identity document.

10.7 The Client immediately submits all messages in writing to a branch, via the Internet Bank or with an e-signature that meets the requirements of the Bank to the Bank's e-mail address.

10.8 A message sent by post is deemed received on the fifth calendar day after the date of posting.

10.9 A message sent by e-mail, Internet Bank and other communication channel is deemed received:

- on the same day if the message was sent on a working day before 16:00;
- on the next day if the message was sent later.

10.10 The Client gives the information specified in clause 10.6 to the Bank even if the details of the change and circumstances have been published in *Ametlikud Teadaanded* or in a public register.

10.11 If the Client has not performed the notification obligation specified in clause 10.6, the Bank presumes that the information at its disposal is correct and cannot be held liable for damage caused to the Client or a third party as a result of the non-performance of the notification obligation, unless the damage emerged as a result of the Bank's intent or serious negligence.

10.12 The Client must inform the Bank if they have not received a statement, overview or another notification regularly issued to the Client within 10 days of the day they should have received the message from the Bank as agreed.

10.13 If an identity document or other means of identification (e.g. security element of the Internet Bank, digital passport, code card, etc.) is lost, stolen or leaves the possession of the Client against their will in any other manner, the Client must immediately inform the Bank of this. Until then, the Bank has the right to presume that the aforementioned items are used by the Client (or their authorised representative) themselves and cannot be held liable to the Client if this is not the case.

## 11. ORDERS OF THE CUSTOMER

11.1 The Client submits their orders to the Bank in writing or in any other agreed manner.

11.2 The Bank presumes that the content of the order submitted by the Client corresponds to the will of the Client.

11.3 The Bank only accepts the orders of the Client for execution that have been correctly and appropriately prepared, are unambiguous and executable and clearly indicate the will of the Client. The Bank is not liable for the ambiguity, mistakes and transmission errors of an order. The same applies to accidental repetition of orders. The Bank decides the mistakes or ambiguity, in the case of which it will still execute the Client's order. In the case of ambiguity, the Bank has the right to request additional information or documents from the Client.

11.4 The Bank may record and retain all orders given by means of communication as well as other acts upon the use of services and use the respective recordings for proving the orders given by the Customer or other acts, where necessary.

## **12. DELAYS**

12.1 Unless the Bank and the Client have agreed otherwise, the Bank will pay default interest according to the conditions and procedure set forth by the legislation of Estonia in the case of delays with the execution of an order.

12.2 The Bank will not pay default interest for delays in the execution of orders if the order was incorrectly prepared by the Client, was contradictory or did not comply with the other requirements established by the Bank.

## **13. OFFSETTING**

13.1 Unless otherwise provided by law, the Bank may offset its claims against the Client.

13.2 First of all, the Bank will withhold from the Client's accounts any amounts due to the Bank that have become collectible, also if other payment orders have been submitted by the Client or third parties after the amounts became collectible and before they were actually withheld by the Bank, unless otherwise stipulated by law.

13.3 The Bank informs the Client of the offsetting according to the Contract or law.

## **14. SERVICE CHARGES, OTHER DEBTS AND DEFAULT INTEREST**

14.1 The Bank will take the charge specified in the price list valid on the day the service was provided or the deadline of payment for the service from the Client for the service provided.

14.2 In addition to the charges specified in the price list or the Contract, the Client will pay the expenses of the necessary acts performed by the Bank in the interests of the Client (e.g. postage and telephone costs, notary's fees, unforeseeable additional fees, deposit fees, etc.).

14.3 The Bank debits the service charges and other amounts and debts payable from the account specified in the Contract.

14.4 The Bank may choose the order in which it withholds the service charges and the other amounts and debts payable to the Bank.

14.5 If the funds in the account specified in the Contract are insufficient for payment of the service charge and other amounts, the Bank may debit the service charges and other amounts and debts payable from any other account of the Client at its own discretion, incl. from any foreign currency held in the account and any amounts received in the Client's account even if after the amounts have become collectible and before they are actually withheld by the Bank the Client has given other orders with regard to the amounts.

14.6 The Bank debits the service charges and other amounts payable in euros and, if there are no euros, in a foreign currency. Service charges calculated in a foreign currency and other amounts payable are converted into euros on the basis of the exchange rate established by the Bank.

14.7 The Bank withholds debts in the currency in which they emerged. If there is no such currency on the account, the Bank converts the required amount from another currency available in the account on the basis of the exchange rate established by the Bank.

## **15. INTEREST**

15.1 The Bank pays the Client interest for the money held in the account at the rate established by the Bank or at the rate agreed in the Contract entered into with the Client.

15.2 The Client pays the Bank interest for use of the money received from the Bank at the rate and on the conditions established in the Contract.

15.3 The Bank may change the interest rate and the procedure for calculation of interest without notice where justified. If the interest rate and the procedure for calculation of interest have been agreed in the Contract, the interest can be changed with an agreement between the parties, unless otherwise agreed in the Contract.

15.4 Interest is calculated and paid pursuant to the Service Conditions.

15.5 If income tax must be paid on interest according to law, the Bank will withhold it from the amount of interest paid out. Upon the Client's request the Bank issues a certificate about the income tax withheld on the interest amount.

## **16. BANKING SECRECY AND CLIENT DATA PROCESSING**

16.1 The Bank maintains the secrecy of all data specified as information subject to banking secrecy for an unspecified term.

16.2 The principles of processing client data and the Bank's rights and obligations upon the processing of client data are described in the document "Rules of Personal Data Processing", which are available in the Bank's branches and on the website [https://www.citadele.ee/files/support/privacy\\_security\\_rules\\_ee.pdf](https://www.citadele.ee/files/support/privacy_security_rules_ee.pdf).

16.3 The Client agrees that the Bank may pass on client data to the third parties specified in the rules of personal data processing and the Client does not regard this as a breach of the obligation to maintain banking secrecy.

## **17. RIGHTS OF THE BANK UPON PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING**

17.1 In order to prevent money laundering and terrorist financing the Bank has the right to:

17.1.1 upon entry into and performance of the Contract, ask the Client to provide additional information about the Client themselves, their representatives, owners, beneficial owners and economic activities, incl. data of partners, turnover, share of cash and cash-free transactions, frequency of transactions, etc.;

17.1.2 request documents that are the basis of a transaction from the Client in order to clarify the origin of the cash or assets used in the transaction (such as sales contracts, service contracts, waybills of goods, customs documents, invoices, etc.) and information about partners or other persons involved in the transaction;

17.1.3 if the Client does not submit the documents that prove the lawful origin of the money or other assets used in the transaction on the request of the Bank and the Bank suspects that the transaction is unlawful or constitutes terrorist financing or money laundering, the Bank may refuse to conclude the transaction or return the funds sent to the Client to the sender (incl. the ones already received by the Client);

17.1.4 regularly check the information collected for performance of the due diligence arising from law and demand the submission of all required data and documents from the Client;

17.1.5 not accept a payment order for execution if it does not include the details of the payment, is unclear or does not reflect the content of the payment transaction;

17.1.6 establish temporary or permanent restrictions on the use of the services.

## **18. MAINTENANCE AND REPAIRS**

18.1 The Bank has the right to suspend the provision of services if necessary in relation to the scheduled maintenance and development of the information system and elimination of faults.

18.2 If possible, the Bank carries out planned maintenance and development work at night.

18.3 Upon the emergence of extraordinary circumstances the Bank has the right to carry out extraordinary maintenance or development in order to prevent further damage.

18.4 The performance of the Bank's contractual obligations is suspended during the maintenance and development specified in this chapter.

## **19. EXTRAORDINARY AND ORDINARY CANCELLATION OF CONTRACT BY BANK**

19.1 The Bank has the right to cancel the Contract unilaterally without notice if the Client or a person related to them has breached an obligation, the accurate performance of which is a prerequisite for the Bank's interest in the continued performance of the Contract. Such obligations of the Client are primarily:

19.1.1 upon identification, the submission of correct, complete and truthful data, incl. for the performance of the other due diligence measures arising from law, to the Bank or another company belonging to the same group as the Bank;

19.1.2 informing the Bank of any changes in the data included in contracts or the documents submitted to the Bank;

19.1.3 the submission of information and documents for checking the correctness of the information related to the Client or their beneficial owner;

19.1.4 the submission of information and documents verifying the lawfulness of their economic activities (incl. partners, ownership relations) or other assets upon the Bank's request;

19.1.5 the submission of truthful information about their financial situation if the Bank needs such information for making a credit decision or performing other acts in the interests of the Bank or the Client;

19.1.6 informing the Bank of the circumstances that may hinder the performance of contractual obligations by the Client to the Bank appropriately.

19.2 The Bank may cancel the Contract extraordinarily without notice with good reason if the continuation of the Contract cannot be presumed considering the interests of both parties, primarily if:

19.2.1 the data and documents submitted by the Client or a person related to them do not eliminate the Bank's suspicions that the activity of the Client or a person related to them may be associated with unlawful transactions, terrorist financing or money laundering;

19.2.2 the Bank suspects that the Client or a person related to them is a front or a shell company;

19.2.3 the Client or a person related to them operates without the authorisation, licence or registration required by the legislation of the Republic of Estonia;

19.2.4 the Client refuses to give the information specified in clauses 17.1.1 to 17.1.4 to the Bank;

19.2.5 the Client refuses to give to the Bank the data related to the tax residency of the Client or their beneficial owner (e.g. the identification number of a taxable person or other information related to tax residency) that must be submitted pursuant to the Tax Information Exchange Act;

19.2.6 in the opinion of the Bank, the Client or a person related to them operates in an area of activity (e.g. providers of the service of exchanging virtual currency for money, intermediaries and persons trading in virtual currencies, online casinos) or in a country where the risk of terrorist financing or money laundering is high;

19.2.7 the Client or a person related to them is a politically exposed person;

19.2.8 the Client or a person related to them has been convicted of money laundering or terrorist financing;

19.2.9 the Client or a person related to them is the subject of an international sanction or another national restriction (e.g. European Union or US sanctions) or the Client or a person related to them is,

in the opinion of the Bank, related to a person, territory, service or transaction in respect of which a sanction or restriction has been established;

19.2.10 according to reliable sources (public authorities, national and international databases, correspondent banks) or mass media, the Client or a person related to them is or has been involved in organised crime, incl. money laundering or terrorist financing, terrorism, smuggling of goods subject to excise duty and narcotic substances, illicit arms trade, human trafficking, pimping, forging money, means of payment and securities, etc.;

19.2.11 according to the decision of a competent authority or body, the Client or a person related to them has breached the requirements applicable in the area of activity or in the opinion of the Bank does not comply with the requirements of responsible operation and diligence in the respective area of activity;

19.2.12 the state refuses to issue the digital identity card of an e-resident to the Client or suspends or cancels its validity;

19.2.13 the circumstance specified in clause 8.4 of the General Conditions, that the Client does not have a sufficient connections with Estonia, become known about the Client;

19.2.14 the Client is a resident of a low-tax country or territory or has a legal entity registered in such a country or territory in its structure or among its partners;

19.2.15 the Client has no independent operations, significant assets, continuing business activities, employees; the Client does not pay labour and other taxes, their profit is unreasonably low considering their turnover;

19.2.16 the Client has intentionally or due to serious negligence failed to perform an obligation arising from the Contract;

19.2.17 the Client has caused damage to the Bank or a company belonging to the same group as the Bank or a real threat of damage with its activity or inactivity or according to the decision of a competent authority or body (e.g. precept of a board, court ruling) has breached the requirements applicable in the area of activity or in the opinion of the Bank does not comply with the requirements of responsible operation and diligence in the respective area of activity and may therefore put the Bank's reputation at risk;

19.2.18 the Client has failed to perform their obligation, which arises from a contract entered into with the Bank or a company belonging to the same group as the Bank and this fact gives the Bank a good reason to assume that the Client will not perform their contractual obligations appropriately in the future (e.g. the Client has repeatedly had arrears);

19.2.19 an event has occurred which in the opinion of the Bank may hinder the performance of contractual obligations by the Client or paralyse the Client's business activities or financial status (e.g. bankruptcy or liquidation proceedings of the Client);

19.2.20 the Client or a legal entity related to them has submitted incorrect or incomplete data or documents to the Bank or a company belonging to the same group as the Bank or refuses to submit the requested data or documents;

19.2.21 the Client has caused damage to the Bank or a legal entity belonging to the same group as the Bank or a real threat of damage or reputation damage with their act;

19.2.22 there is another basis arising from law (e.g. limited or no active legal capacity, contradictory rights of representation or no right of representation, etc.);

19.2.23 the settlement contracts entered into with the Client have been terminated.

19.3 The Bank considers the grounds for extraordinary cancellation of the Contract thoroughly.

19.4 The Bank may cancel a contract entered into for an unspecified term ordinarily by notifying the Client thereof two months in advance.

## **20. LIABILITY**

20.1 The Client and the Bank perform their obligations in good faith according to the general banking practice and good banking practices.

20.2 The Parties are liable for damage caused to the other party by their failure to perform or the inappropriate performance of their obligations.

20.3 The Client is not liable for breaching their obligations if this was caused by force majeure.

20.4 The Bank is not liable for the damage caused to the Client as a result of force majeure, incl. unlawful disturbance of the Bank's operations (bomb threats, bank robberies, etc.) as well as other events independent of the Bank such as a strike, moratorium, power cut, fault in communication lines, natural catastrophe, technological catastrophe, fire, mass unrest, act of terrorism, military activities, enforcement of legislation that obstructs the functional operations of the Bank, activities of the government, etc.

20.5 The Bank is liable for the words or acts of the Bank's employees only if the employee acted within the scope of their authorities during the working hours of the Bank whilst performing their duties or following the instructions of the management of the Bank.

20.6 The Bank is not liable for:

20.6.1 any indirect damage caused to the Client;

20.6.2 any loss caused by changes in foreign currency exchange rates or interest rates;

20.6.3 any damage or loss arising from the Bank's unawareness of the absence of the passive or active legal capacity of a legal person or the absence of the active legal capacity or the capacity to exercise the will of a natural person;

## **21. RESOLUTION OF DISPUTES**

21.1. Attempts will be made to resolve any disagreements between the Bank and the Client immediately after they have arisen.

21.2. If a disagreement cannot be immediately resolved, the Client has the right to file a written complaint.

21.3. The circumstance that caused the complaint must be indicated therein.

21.4. As a rule, the Bank responds to complaints arising from the performance of a payment service within 15 working days of receipt of the complaint. The Bank may extend the response deadline to 35 working days if there are circumstances that are not dependent on the Bank or if the complaint is complicated.

21.5. If the parties cannot resolve a dispute by way of negotiations, the dispute will be referred for resolution to Harju County Court, unless otherwise agreed by the parties or otherwise provided for by law.

21.6 A Private Client has the right to seek the protection of their rights from the Consumer Protection and Technical Regulatory Authority, which is located at Sõle 23a, 10614 Tallinn; telephone: 667 2000, e-mail: [info@ttja.ee](mailto:info@ttja.ee), website: [www.ttja.ee](http://www.ttja.ee).

21.7 The Bank is supervised by the Financial Supervision Authority, which is located at Sakala 4, 15030 Tallinn; telephone: 6680500, e-mail: [info@fi.ee](mailto:info@fi.ee), website: [www.fi.ee](http://www.fi.ee).