



JSC "RIETUMU BANKA"  
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## JSC "RIETUMU BANKA" AND CLIENT AGREEMENT ON OPENING AND SERVICING OF CLIENTS' FUNDS ACCOUNT

Riga, date \_\_\_ / \_\_\_ / \_\_\_\_\_

Approved by the Board of JSC "Rietumu Banka", Minutes No. 48, 28.09.2018

COMPLETE IN BLOCK CAPITALS

**Joint-Stock Company "Rietumu Banka"**, unified registration number 40003074497, legal address: 7 Vesetas Street, Riga, LV-1013, Republic of Latvia (hereinafter – **the Bank**), represented by the \_\_\_\_\_, acting by the \_\_\_\_\_, on the one part, and

registered in \_\_\_\_\_, registration number \_\_\_\_\_, legal address: \_\_\_\_\_, represented by \_\_\_\_\_, acting by the \_\_\_\_\_ (hereinafter – **the Client**), on the other part, the Bank and the Client (hereinafter – **the Parties** and separately referred to as **the Party**) have signed this Agreement (hereinafter – **the Agreement**) as follows:

1.The subject matter of the Agreement is the establishment of legal relations between the Parties on delivery of services by the Bank to the Client for the remuneration. The Parties agree that the term "Clients' Funds Account" means the clients' funds account No. \_\_\_\_\_, which the Bank opens for the Client in accordance with the provisions of this Agreement (hereinafter – **Clients' Funds Account**) in order to ensure the regime of separate storage of the Client's underlying clients funds. By the term "Client's underlying client" the Parties understand the Client's payment service users, another payment service providers and/or electronic money holders.

2.The Client confirms to the Bank that the Client segregates and insures separate storage of funds that are placed on the Clients' Funds Account from the funds of any persons other than the Client's payment service users on whose behalf the funds are held, and ensures that funds placed on the Clients' Funds Account are not included in the property of the Client that is used to cover the claims of the Client's creditors.

3.The Client confirms to the Bank that the funds that are placed on the Clients' Funds Account and that the Client received from its underlying clients for the execution of transaction shall not be included in the Client property that is used to cover the expenses of Client's insolvency proceedings or liquidation expenses and the Client's creditor claims. The funds that are placed on the Clients' Funds Account can be used only to cover reasonable claims of the Client's underlying clients, incl., the Chargebacks. By the term "the Chargeback" the Parties understand the claim of the Client's payment service user, the another payment service provider and/or the electronic money holder that is submitted to the Bank and is considered in accordance with the normative documents of the Visa Inc. and/or Mastercard Worldwide.

4.All amounts of the remuneration, other commission fees due to the Bank and which the Bank is entitled to withhold from the Client for opening and servicing of the Clients' Funds Account the Bank without further authorisation debits from any account of the Client with the Bank, except the Clients' Funds Account.

5. The relations between the Bank and the Client in the opening and servicing of the Clients' Funds Account is governed by this Agreement, the Terms and Conditions of JSC "Rietumu Banka" and Client Agreement (hereinafter – **the Terms and Conditions**) and laws of the Republic of Latvia.

6.All issues not specified in this Agreement shall be resolved in accordance with the Terms and Conditions. In case of discrepancies between the provisions of this Agreement and the Terms and Conditions, the prevailing effect shall have the provisions of this Agreement.

7.Unless the Agreement, the Terms and Conditions and/or laws of the Republic of Latvia stipulates another time limit, the Agreement is considered to be terminated 10 (ten) working days after:

7.1.the Bank has received the Client's order to close the Clients' Funds Account, and the balance of the Clients' Funds Account is transferred to the clients' funds account of the Client in another credit institution. The Clients' Funds Account balance on the account closing date is 0 (zero);

7.2.the Bank has notified the Client about the termination of the Agreement, if prior to sending the notice the Clients' Funds Account balance within 5 (five) working days was 0 (zero) and/or within 3 (three) months no operations were carried out on the Clients' Funds Account;

7.3.the Bank has notified the Client about the termination of the Agreement, if the Client within 3 (three) months from the date of the conclusion of the Agreement did not provide the Bank with any confirmation of the receipt of the licence and/or registration.

8. Terminating the Agreement and/or terminating the provision of services of the Bank, regardless of the reason for such termination, Client shall be obligated to timely provide the Bank with the information about clients' funds account of the Client in another credit institution to which the Client's underlying clients funds shall be transferred. Additionally the Client shall be obligated to provide the Bank with the written credit institution's confirmation that the account, to which the Client's underlying clients funds shall be transferred, is having the status of clients' funds account and this account is providing for segregation and separate storage of the Client's underlying clients funds from the funds of any persons other than the Client's payment service users on whose behalf the funds are held.

9.The Bank shall be entitled to terminate transactions on the Clients' Funds Account and/or relations with the Client (to terminate validity of the Agreement) immediately without giving a reason thereof to the Client:

9.1.if the Bank has information or suspicion that the Client's activities fail to comply with the legislation of the Republic of Latvia, country of registration of the Client, internal documents of the Bank, the Agreement or the Terms and Conditions;

\_\_\_\_\_  
The Client

\_\_\_\_\_  
The Bank

- 9.2. in respect of the Client at least one of the Cross Default events specified in Clause 10.10 of the Terms and Conditions has set in;
- 9.3. the Bank has information or suspicion that the Client commits legally punishable, dishonest or unethical act towards the Bank and/or towards third parties, incl. carried out or is involved into fraudulent or illegal operations;
- 9.4. the Bank has good grounds to believe that further cooperation with the Client will harm its reputation and/or will result in the Bank's Losses;
- 9.5. the tax institutions or other supervising bodies have seized the payment accounts of the Client in the Bank.
- In the cases referred to in this Clause the Bank informs the Client about the termination of relations and asks the Client to transfer the funds placed on the Clients' Funds Account to the clients' funds account of the Client in another credit institution within 5 (five) working days after receiving the Bank's notification of termination of the relationship.
10. If the Agreement is terminated on the initiative of the Bank, funds placed on the Client's Funds Account are kept on special accounts of the Bank until the receipt of the order for transfer of these funds to the another credit institution. No interest is calculated on these funds of the Client's underlying clients and the Bank transfers them to the Client on clients' funds account of the Client in another credit institution according to the order or to the payment accounts of the Client's underlying clients these funds were received from. The Bank shall be entitled to withhold from the Client the remuneration and expenses incurred by the Bank for the period of storage of the funds.
11. If the Agreement is terminated in compliance with provisions of the Law on the Prevention of Money Laundering and Terrorism Financing of the Republic of Latvia (Noziedzīgi iegūtu līdzekļu legalizācijas un terorisma finansēšanas novēršanas likums), the Bank immediately suspends transactions on the Client's Funds Account and on the basis of the Client's order transfers the funds placed on the Client's Funds Account to the client's funds account of the Client with another credit institution or to the payment accounts of the Client's underlying clients these funds were received from, if it is not contrary to the laws of the Republic of Latvia. In this case the Bank is not obliged to explain to the Client the reasons and grounds for termination of the Agreement, and the Bank independently and unilaterally without prior agreement with the Client takes a decision on the date of transferring the funds placed on the Client's Funds Account, and notifies the Client on it.
12. The Bank opens and services the Clients' Funds Account for the Client, on the condition that:
- 12.1. the Client has the licence and/or registration required in order to provide the payment services to customers;
- 12.2. the Client is required to obtain the Clients' Funds Account in order to receive a licence and/or get registered by the supervisory authority.
13. The Client undertakes to monitor and control its customers and their transactions in accordance with the normative acts applicable to the economic activities of the Client.
14. The Client undertakes to cooperate with the Bank and to immediately provide information to the Bank in the event that the Bank receives demands and claims from third parties, including from the Client's underlying clients, supervisory authority, and undertakes to indemnify the Bank for any Bank's Losses that have arisen or may arise to the Bank in the event of non-fulfilment or improper performance by the Client of the requirements and obligations stipulated by this Agreement and normative acts.
15. The Bank guarantees and ensures confidentiality of the Client's personal data and transactions, and transactions of its customers, and non-disclosure of information to third parties, unless the legislation of the Republic of Latvia and the Terms and Conditions stipulate otherwise. The Bank processes personal data in accordance with the Terms and Conditions.
16. The norms of substantive law and procedural law of the Republic of Latvia govern mutual relations between the Parties in the process of execution and performance of the Agreement.
17. The Parties settle disputes relating to the Agreement in accordance with this Agreement and the Terms and Conditions.
18. The Agreement shall come into effect upon mutual signing by the Parties and shall be valid for an unlimited period of time.
19. The Parties are entitled to terminate the Agreement in accordance with this Agreement and the Terms and Conditions.
20. The Agreement has been drawn up in English in 2 (two) copies. Each copy shall have equal legal effect. Each Party shall get one copy of the Agreement.
21. The Agreement contains complete comprehension of the subject of the Agreement and all its provisions by the Parties. The Agreement is a free expression of the will of the Parties without delusion, fraud and duress, which the Parties confirm by signing this Agreement.

**Client**

\_\_\_\_\_

(name, surname)

X \_\_\_\_\_ Client's seal

(signature)

Rietumu ID \_ \_ \_ \_ \_ Test key \_\_\_\_\_

**Bank**

\_\_\_\_\_

(name, surname)

X \_\_\_\_\_ Seal

(signature)