ABLV Bank, AS in Liquidation

Registration No.:	50003149401
Legal address:	23 Elizabetes Street, Riga, Latvia
Website:	**www.ablv.com**
Phone:	+ 371 6777 5222

Final Terms of Offer
of the Second Bond Issue Series Redenominated in EUR
ABLV FXD RD EUR 271019

under the Seventh Bond Offer Programme

Securities:	Bonds
Issue redenominated face value / total amount:	Respective amount in euro resulting from exchanging the amount of USD 69 995 000.00 (sixty-nine million nine hundred ninety-five thousand US dollars) to euro at the rate set by the European Central Bank as at 24 September 2018.
Securities redenominated face value / currency:	Respective amount in euro resulting from exchanging the amount of USD 1 000.00 (one thousand US dollars) to euro at the rate set by the European Central Bank as at 24 September 2018.
Number of securities:	69 995 (sixty-nine thousand nine hundred ninety-five)
Initial placement price:	100% of the face value
Annual Interest Rate:	fixed rate: 2.15% with coupon payment twice a year
Maturity date:	27 October 2019

7 September 2017

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Appendixes include the Bond issue summary and the sample order form to be submitted by the Investor to conclude the financial instruments transaction.
Appendix 1: Bond issue summary.
Appendix 2: “Financial Instrument’ Trade Order” form.

The Final Terms are prepared in accordance with the requirements of paragraph 4 of article 5 of the Directive 2003/71/EC of the European Parliament and of the Council.

The Final Terms shall be read together with ABLV Bank, AS in liquidation Base Prospectus of the Seventh Bond Offer Programme. The Base Prospectus is published at the Issuer’s website **www.ablv.com**. Full information on the Issuer and the Bond issue can be only obtained reading the Base Prospectus together with the Final Terms. The Bond issue summary is appended to these Final Terms.

Notice
Before making a decision on investing in the Bonds, any Investor shall independently and, if necessary, engaging an advisor, generally assess the information provided in the Base Prospectus and these Final Terms.

1. Explanation of the terms and abbreviations used

LCD — joint stock company "Latvian Central Depository" (business name from September 18, 2017– NASDAQ CSD SE), unified registration number: 40003242879, legal address: 1 Vaļņu Street, Riga, Latvia.

Second Bond Issue Series Redenominated in EUR or **ABLV FXD RD EUR 271019** – the Bonds that are issued pursuant to ABLV Bank, AS in liquidation Base Prospectus of the Seventh Bond Offer Programme and these Final Terms of Offer.

Note: the other terms and abbreviations used correspond to those included in the Base Prospectus.

2. Essential information

2.1. Interest of natural and legal persons involved in the issue/ offer

N/A

2.2. Reasons for the offer

Objective of the Second Bond Issue Series Redenominated in EUR shall be raising of funds that the Issuer will use for financing its operating activities, including without limitation:

- improvement of the ABLV Bank, AS in liquidation assets' and liabilities' distribution into maturity bands;
- increase and maintenance of the liquidity level required for activities of ABLV Bank, AS in liquidation.

3. Information about the Second Bond Issue Series Redenominated in EUR – ABLV FXD RD EUR 271019 (under the Seventh Bond Offer Programme)

Issuer:	ABLV Bank, AS in liquidation
Securities:	Bonds
ISIN:	LV0000880052
Type of securities:	In bearer form
Class of securities:	Without restraint on alienation
Collateral:	Not secured with pledge
Depository:	Nasdaq CSD SE
Regulated market:	Stock Exchange Nasdaq Riga Baltic Bond List
Currency of the Bond issue after redenomination:	EUR (euro)
Redenominated face value/total amount of the Bond issue:	Respective amount in euro resulting from exchanging the amount of USD 69 995 000.00 (sixty-nine million nine hundred ninety-five thousand US dollars) to euro at the rate set by the European Central Bank as at 24 September 2018.
Bond redenominated Face Value:	Respective amount in euro resulting from exchanging the amount of USD 1 000.00 (one thousand US dollars) to euro at the rate set by the European Central Bank as at 24 September 2018.
Number of the Bonds:	69 995[1] (sixty-nine thousand nine hundred ninety-five)
Annual Interest Rate:	Fixed: 2.15% (two and 15/100 percent)
Date of the Interest Income calculation:	5 working days before the Interest Income payment date
Frequency and dates of the Interest Income payments:	Twice a year: on 27 October and 27 April, starting from 27 April 2018, ending on 27 October 2019
Maturity date of the Bonds:	27 October 2019
Premature redemption (call option):	• The Issuer shall be entitled to prematurely redeem the part of the Bond issue the initial placement of which was not performed; • The Issuer shall be entitled to prematurely redeem the Bonds that the Issuer purchased in the secondary securities market or acquired otherwise in compliance with provisions of the normative acts, provided that normative acts contain no limitations with regard to such redemption.
Early repayment claim (put option):	The Investor shall not be entitled to claim the Face Value and accrued interest to be repaid by the Issuer before maturity.
Arrangements for the amortisation of the loan:	N/A
Information on yield:	Fixed interest rate is set for the Bonds. The Bond yield does not depend on the changes in the base interest rate in the interbank market.

Yield calculation method:	Pursuant to paragraph 6.9 of the Base Prospectus
Representation of the Investors:	Pursuant to paragraph 6.15 of the Base Prospectus
Decisions on the Bond issue:	The Bonds are issued and public offering is performed pursuant to the following decisions of ABLV Bank, AS in liquidation: • decision on the bond issue of the extraordinary meeting of shareholders, dated 31 March 2017 (Minutes No. 1, paragraph 5.9); • decision of the Board on approving the Base Prospectus of the Seventh Bond Offer Programme, dated 24 April 2017 (Minutes No. V–24, paragraph 1); • decision of the Board on the Base Prospectus of the Seventh Bond Offer Programme including recommendations of the Financial and Capital Market Commission, dated 9 May 2017 (Minutes No. V–26, paragraph 1); • decision of the Board on approval of ABLV Bank, AS in liquidation Final Terms of Offer of the Second Bond Issue Series RD EUR – ABLV FXD RD EUR 271019 under the Seventh Bond Offer Programme, dated 7 September 2017 (Minutes No. V-58, paragraph 2).
Issue date:	27 October 2017
Public offer start date:	Not later than on 15 September 2017, the information shall be published at the Issuer's website **www.ablv.com**. The public offer start date is 21 September 2017.
Public offer end date:	23 October 2017
Decision on concluding the transactions:	Pursuant to paragraph 9.4 of the Base Prospectus, the decision on concluding the transactions will be made on 26 October 2017.
Settlement date:	27 October 2017

[1] Before the end of the public offer period, but not later than 4 (four) working days prior to the public offer end date, the Issuer may increase the Issue Series size. If amendments to the Final Terms are made, those shall be published in the same way as the Final Terms.

For the purposes of the Base Prospectus and these Final Terms, the Issuer shall be an institution that borrows funds by issuing the Bonds.

4. Terms and conditions of the offer

4.1. Initial placement process

The initial placement process is described in paragraphs 9.3 and 9.4 of the Base Prospectus.

The total redenominated amount of the Issue is equal to the respective amount in euro resulting from exchanging the amount of USD 69 995 000.00 (sixty-nine million nine hundred ninety-five thousand US dollars) to euro at the rate set by the European Central Bank as at 24 September 2018.

The public offer start date is 21 September 2017.

A representative of the Investment Company or the Investor itself, provided it has a financial instruments account opened with ABLV Bank, AS in liquidation, shall submit an order to the Issuer, using the sample form "Financial Instruments' Trade Order" appended hereto, on working days from 08:30 till 18:30. The order may also be submitted electronically, using a corresponding order form in ABLV Bank, AS in liquidation Internetbank.

The public offer end date shall be 23 October 2017. Orders shall be accepted by ABLV Bank, AS in liquidation till the end of the working day, i.e., 18:30, or electronically – till the end of the day, i.e., 23:59.

Information about the order submission can be obtained:

- by phone: + 371 6700 2777
- via e-mail: **ibas@ablv.com**

The orders submitted to the Issuer may not be altered or revoked.

4.2. A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants

N/A

4.3. Details of the minimum and/or maximum amount of application
Pursuant to paragraph 9.3 of the Base Prospectus, maximum number of the Bonds that a single Investor may apply for is not set. The Investor may not apply for purchasing less than 1 (one) Bond.

4.4. Settlement process
Within this Bond Issue Series, settlement under initial placement transactions shall be performed as follows:

- not applying the DVP principle, if agreed so by the underwriter and the Investor, or
- applying the DVP principle, regulated by the effective LCD rules.

If the transaction parties agree on not applying the DVP principle, the moment of the Bonds' delivery and the moment of payment may be different. The Investor shall ensure funds in the respective account on the day agreed upon by the transaction parties, whereas the Bonds shall be credited to the Investor's account on the day agreed upon by the transaction parties.

DVP shall be executed on the T+1 day, where "T" stands for the day of concluding the Bond purchase transaction, and "1" is the 1st (first) working day after the day of concluding the Bond purchase transaction.

The day of concluding the transaction shall be the day of making the decision on concluding the transaction – for this Series it is set to be 26 October 2017.

The settlement date shall be 27 October 2017.

4.5. Information about results
Pursuant to paragraph 9.6 of the Base Prospectus, information on the initial placement results will be published at the Issuer's website **www.ablv.com** within 10 (ten) working days after the public offer end date.

4.6. The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.
N/A

5. Plan of securities distribution and allotment

5.1. Offering the Bonds simultaneously in the markets of two or more countries
N/A

5.2. Notification to applicants of the Bond amount allotted
The Bank shall send a confirmation of the concluded transaction to the Investor, following the procedure set forth in ABLV Capital Markets, IBAS General Terms of Business. The General Terms of Business are available at the Issuer's website **www.ablv.com**.

6. Pricing

6.1. Initial placement price of a Bond
Initial placement price of a Bond is set to be 100% of the Bond's face value.
The Bond's redenominated face value is equal to the respective amount in euro resulting from exchanging the amount of USD 1 000.00 (one thousand US dollars) to euro at the rate set by the European Central Bank as at 24 September 2018.

6.2. Pricing method
ABLV Bank, AS in liquidation Board will determine the Bonds' price depending on the situation in secondary market of similar securities then present and, in particular, based on evaluation of the demand in the securities market and yield of comparable market instruments. The price determined by ABLV Bank, AS in liquidation for the Bond Issue Series shall be the same for all Investors and shall remain constant throughout the whole initial placement period.

6.3. Application of expenses and taxes
Purchasing the Bonds during the initial placement period, the Investor will have to transfer just set Bond sale price to the Issuer for each Bond unit being purchased.

Additional expenses under the transaction, which might include, without limitation, fees for account opening, for transaction conclusion and execution, may vary in different Investment Companies, and the Investor can find those out in the respective Investment Company engaged by the Investor in concluding the Bonds' purchase transaction as intermediary. ABLV Bank, AS in liquidation will not receive the said fees and payments charged by other Investment Companies and shall not be responsible for those additional expenses.

The Issuer shall be responsible for withholding and payment of taxes in compliance with the procedures and amount stated in the Republic of Latvia normative acts. The Issuer shall not be responsible for payment of taxes where the Republic of Latvia normative acts do not stipulate the Issuer's duty to assess and withhold the tax amount before making Interest Income payments.

7. Placing and Underwriting

7.1. Offer coordinator
N/A

7.2. Depository
Joint stock company Latvian Central Depository (business name from September 18, 2017 – NASDAQ CSD SE), legal address: 1 Vaļņu Street, Riga, Latvia.

7.3. Entities agreeing to underwrite the issue
N/A

7.4. Time of reaching the underwriting agreement
N/A

8. Admission to regulated market and trading arrangements

8.1. Term and conditions of admission to regulated market
Pursuant to paragraph 10.1 of the Base Prospectus, application for admitting the Bonds to the regulated market will be prepared in accordance with the Stock Exchange requirements and submitted within 3 (three) months after the end of the initial placement at the latest.

8.2. Regulated market
Stock Exchange Nasdaq Riga, Baltic Bond List.

8.3. Entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment
N/A

9. Information about previous Bond Issue Series performed under the Programme

- Two issues performed under ABLV Bank, AS in liquidation Second Offer Programme,
- Three issues performed under ABLV Bank, AS in liquidation Third Offer Programme,
- One issue performed under ABLV Bank, AS in liquidation Fourth Offer Programme,
- Five issues performed under ABLV Bank, AS in liquidation Fifth Offer Programme,
- Seven issues performed under ABLV Bank, AS in liquidation Sixth Offer Programme and
- Two issues performed under ABLV Bank, AS in liquidation Seventh Offer Programme

have been included in the Baltic Bond List of the Stock Exchange Nasdaq Riga regulated markets.

Under ABLV Bank, AS in liquidation Seventh Offer Programme, there were two issues performed and included to securities lists of Nasdaq Riga regulated markets:

	Straight coupon bonds in EUR	**Straight coupon bonds in EUR**
ISIN	LV0000880060	LV0000802288
Issue size	The total issue size is equal to the respective amount in euro resulting from exchanging the amount of USD 71 867 000.00 (seventy-one million eight hundred sixty-seven thousand US dollars) to euro at the rate set by the European Central Bank as at 24 September 2018.	EUR 20 000 000,00
Issue name	ABLV FXD RD EUR 030719	ABLV FXD EUR 030719
Coupon rate (p.a.)	Fixed; 2.25%	Fixed; 0.75%
Current interest income period	03.07.2017 – 02.01.2018	03.07.2017 – 02.01.2018
Issue date	03.07.2017	03.07.2017
Maturity date	03.07.2019	03.07.2019

Simultaneously with the Second Bond Issue Series RD EUR, the following public offering is performed under the Seventh Bond Offer Programme:

- Second Bond Issue Series in EUR – ABLV FXD EUR 271019– straight 2-year bonds;
- Third Bond Issue Series in EUR – ABLV SUB EUR 271027 – subordinated bonds.

The Investors can find the information about issues performed under the Second, Third, Fourth, Fifth, Sixth and Seventh Offer Programmes and their Final Terms at ABLV Bank, AS in liquidation website **www.ablv.com**.

10. Additional information

10.1. Advisors connected with the Bond issue
N/A

10.2. Information about the Bond issue provided by third parties
N/A

10.3. Credit ratings assigned to the Bonds
N/A

The Final Terms were approved at the session of the Liquidation Committee of ABLV Bank, AS in liquidation on 20 August 2018.

Name, surname	Position held	Signature
Arvīds Kostomārovs	Liquidator	
Elvijs Vēbers	Liquidator	
Andris Kovaļčuks	Liquidator	
Eva Berlaus	Liquidator	

Appendix 1

Summary of the Bond issue

Section A. Introduction and warnings

A.1	The summary shall be deemed the introduction of the Base Prospectus. Any decision on investing in the Bonds shall be based on the Investor's judgement on the whole Base Prospectus and the respective Final Terms of the Bond issue. Should any claim be lodged to a court regarding the information provided in the Base Prospectus, if necessary, the Investor lodging the claim to a court in accordance with normative acts of the respective member state shall cover the costs of translating the Base Prospectus before the proceedings are initiated. The persons responsible for the information provided in the Base Prospectus, including persons that translated the same and applied for its notification, may be held civilly liable only where the summary is misleading, inaccurate, or inconsistent with other sections of the Base Prospectus, or fails to provide the most essential information that would aid the Investors when considering whether to invest in the Bonds.
A.2	N/A

Section B. Issuer

B.1	Legal and commercial name of the Issuer	ABLV Bank, AS in liquidation.
B.2	The domicile and legal form of the Issuer, the legislation under which the Issuer operates and its country of incorporation	ABLV Bank, AS in liquidation is a joint stock company registered in the Republic of Latvia, which carries out its operations in accordance with the Republic of Latvia legal acts, the European Union normative acts, and the issued licence that allows rendering all financial services stated in the Credit Institution Law.
B.3 – B.4.a		N/A
B.4b	Description of any known trends affecting the Issuer and the industries in which it operates	As at the day of producing the Final Terms, there is no information on any detected trends, events, claims, or obligations that might have significant negative effect on further operations of ABLV Bank, AS in liquidation or the Republic of Latvia credit institution sector.
B.5	Issuer's position within the group	The information provided in the table below completely matches that presented in ABLV Bank, AS in liquidation consolidated report for the first half of 2017.

№	Company	Country of incorporation	Registration number	Business profile	Share in the entity's capital (%)	Share in the entity's capital with voting rights (%)
1.	ABLV Bank, AS	LV	50003149401	Financial services	100	100
2.	ABLV Bank Luxembourg, S.A.	LU	B 162048	Financial services	100	100
3.	ABLV Consulting Services, AS	LV	40003540368	Consulting services	100	100
4.	ABLV Advisory Services, SIA	LV	40103964811	Consulting services	100	100
5.	ABLV Corporate Services Holding Company, SIA	LV	40103799987	Holding company	100	100
6.	ABLV Corporate Services, SIA	LV	40103283479	Consulting services	100	100
7.	ABLV Corporate Services, LTD	CY	HE273600	Consulting services	100	100
8.	ABLV Corporate Finance, SIA	LV	40203042916	Consulting services	100	100
9.	ABLV Capital Markets, IBAS	LV	40003814705	Financial services	90	100
10.	ABLV Capital Markets USA LLC[1]	US	6399457	Financial services	90	100
11.	ABLV Asset Management, IPAS	LV	40003814724	Financial services	90	100

№	Company	Country of incorporation	Registration number	Business profile	Share in the entity's capital (%)	Share in the entity's capital with voting rights (%)
12.	PEM, SIA	LV	40103286757	Investment project management	51	51
13.	PEM 1, SIA	LV	40103551353	Wholesale trade services of other machinery and equipment	51	51
14.	New Hanza Capital, AS	LV	50003831571	Holding company	88	88
15.	NHC 1, SIA	LV	50103247681	Investments in real estate	88	88
16.	NHC 2, SIA	LV	40103963977	Investments in real estate	88	88
17.	NHC 3, SIA	LV	50103994841	Investments in real estate	88	88
18.	NHC 4, SIA	LV	40203032424	Investments in real estate	88	88
19.	NHC 5, SIA	LV	50203032411	Investments in real estate	88	88
20.	NHC 6, SIA	LV	40203032439	Investments in real estate	88	88
21.	Pillar, SIA	LV	40103554468	Holding company	100	100
22.	Pillar Holding Company, KS	LV	40103260921	Holding company	100	100
23.	Pillar 3, SIA	LV	40103193067	Real estate transactions	100	100
24.	Pillar 4 & 6, SIA	LV	40103210494	Real estate transactions	100	100
25.	Pillar 7 & 8, SIA	LV	40103240484	Real estate transactions	100	100
26.	Pillar 9, SIA	LV	40103241210	Real estate transactions	100	100
27.	Pillar 11, SIA	LV	40103258310	Real estate transactions	100	100
28.	Pillar 2, 12 & 14, SIA	LV	50103313991	Real estate transactions	100	100
29.	Pillar 18, SIA	LV	40103492079	Real estate transactions	100	100
30.	Pillar 19, SIA	LV	40103766952	Real estate transactions	100	100
31.	Pillar 20, SIA	LV	40103903056	Real estate transactions	100	100
32.	Pillar 21, SIA	LV	40103929286	Real estate transactions	100	100
33.	Pillar 22, SIA	LV	50103966301	Real estate transactions	100	100
34.	Pillar Management, SIA	LV	40103193211	Real estate management and administration	100	100
35.	Pillar RE Services, SIA	LV	40103731804	Parking management	100	100

	№	Company	Country of incorporation	Registration number	Business profile	Share in the entity's capital (%)	Share in the entity's capital with voting rights (%)
	36	Pillar Contractor, SIA	LV	40103929498	Management and coordination of construction processes	100	100
	37.	Pillar Architekten, SIA	LV	40103437217	Designing and designers supervision	100	100
	38.	Pillar Development, SIA	LV	40103222826	Infrastructure maintenance	100	100
	39.	Pillar Utilities, SIA	LV	40103693339	Infrastructure management	100	100
	40.	Hanzas Dārzs, SIA	LV	40203078059	Territory management	100	100
	41.	ABLV Building Complex, SIA	LV	40203037667	Investments in real estate	100	100

[1] subsidiary company is registered, but licence for rendering investment services has not been received yet, as well as payment of paid-in share capital has not been made, that being compliant with the registration country legislative requirements.

B.6 – B.8		N/A
B.9	Profit forecast and assessment	ABLV Bank, AS in liquidation made no profit forecasts for the following periods of operations.
B.10	Reservations in the audit report on the financial information	ABLV Bank, AS in liquidation audited financial report for the year 2016 contains no reservations.
B.11		N/A

B.12 Selected historical key financial information and any changes to it since the date of the last published audited financial reports

Performance indicators	2015	2016
Financial indicators, EUR'000		
Operating income	126 319	141 875
Operating expense	51 933	59 914
Profit or loss before taxes	74 563	81 961
Balance sheet data, EUR'000		
Assets	4 928 121	3 849 586
Deposits	3 793 192	2 901 824
Loans	873 499	1 012 146
Shareholders' equity	281 453	321 802

ABLV Bank, AS in liquidation forecasts contain no adverse changes since the date of its last published audited financial report.

There are no significant changes in the financial or trading position of ABLV Bank, AS in liquidation detected subsequent to the period covered by the historical financial information.

B.13	Events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency	Recently there were no detected events particular to ABLV Bank, AS in liquidation which are to a material extent relevant to the evaluation of the Issuer's solvency.
B.14	Issuer's dependence on other entities within the group	ABLV Bank, AS in liquidation is not dependent upon other entities within the group of ABLV Bank, AS in liquidation.
B.15	Issuer's principal activities	ABLV Bank, AS in liquidation principal activities are rendering of financial services.
B.16	Control over the Issuer	As at the moment of the Prospectus approval, no shareholder controls the Issuer.

B.17	Credit ratings	No credit ratings are assigned to ABLV Bank, AS in liquidation by credit rating agencies registered and/or certified according to Regulation No 1060/2009 on credit rating agencies.
B.18 – B.50		N/A

Section C. Securities

C.1	Bond details	Bonds issued under the Second Bond Issue Series Redenominated in EUR – ABLV FXD RD EUR 271019 (ISIN LV0000880052) are dematerialized bearer securities without restraint on alienation.
C.2	Currency of the Bond issue	EUR (euro).
C.3 – C.4		N/A
C.5	Restrictions on the free transferability of the Bonds	The Bonds are freely transferrable securities that represent the Issuer's debt to the Bondholders without additional collateral. The Bonds are dematerialized bearer securities without restraint on alienation — transferrable securities.
C.6 – C.7		N/A
C.8, C.9	Rights attached to the Bonds	Division of the Bonds into categories The Bonds are not supposed to be divided into categories. Pursuant to these Final Terms, straight Bonds are supposed to be issued. Limitations to the rights attached to the Bonds The Bonds are freely transferrable securities without restraint on their alienation. Interest Rate The Annual Interest Rate is fixed, and it is equal to 2.15% (p.a.). The date from which interest becomes payable and the due dates for interest The Interest Income shall be accrued starting from 27 October 2017. The Interest Income shall be paid twice a year: on 27 October and 27 April, starting from 27 April 2018, ending on 27 October 2019. Bond maturity date and repayment procedures The Investor shall receive the Bond Face Value as a lump-sum payment on 27 October 2019. Bond yield Fixed rate is applied to the Bonds, and therefore the yield does not change. Representatives of debt security holders Holders of the debt securities may freely determine representatives for exercising the rights attached to the Bonds.
C.10		N/A
C.11	Admission of the Bonds to the regulated market	The Bonds are supposed to be admitted to the regulated market – Baltic Bond List of Nasdaq Riga Stock Exchange.
C.12	Minimum face value of the issue	Pursuant to paragraph 9.3 of the Base Prospectus, the Investor may not apply for purchasing less than 1 (one) Bond.
C.13 – C.22		N/A

Section D. Risks

D.1		N/A
D.2	Key information on the key risks	In carrying out its operating activities, ABLV Bank, AS in liquidation is subject to various risks. Most significant risks that may decrease the Issuer's ability to perform its obligations. 1. Credit risk Credit risk is exposure to potential losses in case of ABLV Bank, AS in liquidation counterparty or debtor being unable to pay the contractual obligations to ABLV Bank, AS in liquidation. 2. Liquidity risk Liquidity is ABLV Bank, AS in liquidation ability to maintain or ensure sufficient cash flow

		to meet the expected (everyday) or sudden (critical) need for the same in order to provide financing for asset growth or discharge the financial obligations in a due time. This means the ability to turn assets into cash with minimal loss or ensure reasonably priced credit facilities. 3. Currency exchange rate fluctuation risk ABLV Bank, AS in liquidation is exposed to negative effects of fluctuations in the foreign currency exchange rates on its financial position and cash flow. 4. Interest rate risk Interest rate risk represents the adverse effect of the market interest rate fluctuations on ABLV Bank, AS in liquidation financial position. 5. Non-financial risks During the course of its operations, ABLV Bank, AS in liquidation encounters also non-financial risks (including operational risk, reputational risk, etc.) with exposure to sudden loss. The cause of such risks may be, for instance, clerical errors or fraud, break-downs in information systems, insufficient internal control and procedures, etc. 6. Competition risk As at the end of 2016, 86% of total deposits with ABLV Bank, AS in liquidation were the deposits placed by foreign clients. Consequently, operations of the Issuer are only partly subject to competition risk in the local market. 7. Legal risk (incl. tax) The risk related to amendments in laws, regulations, and other legal acts, or to implementation of new legal acts, which may result in reorientation of the Issuer's activities or abandonment of particular lines of the Issuer's financial activities. This may have consequent negative impact on the Issuer's earning capacity and stability.
D.3	Information on the risks specific to the Bonds	Risk factors associated with the Bond issue: 1. Liquidity risk Listing of the Bonds in the Stock Exchange Nasdaq Riga Bond List does not guarantee liquidity of the Bonds, and therefore the Investor should assess potential risk of limited possibilities of selling the Bonds in the secondary market due to insufficient interest of other market players. If there is no sufficient interest in the secondary market (liquidity shortfall), it may be difficult for the Investor to sell the Bonds at adequate market price. 2. Price risk Price of the Bonds in the secondary market may fluctuate in accordance with the Investors' interest, which can be affected by macroeconomic processes, events concerning one or several Investors, and also, inter alia, events concerning the Issuer. The Investors' opportunities of gaining profit may vary accordingly from time to time. 3. Legal risk (incl. tax) The risk related to amendments in legislation, regulations and other legal acts, or to implementation of new legal acts, which may cause additional expenses or reduce return on investment. This risk also covers possible changes in applicable tax assessment and withholding procedures.
D.4 – D.6		N/A

Section E. Offer

E.1 – E.2a		N/A
E.2b	Reasons for the Bond offer	Objective of offering the Bond Issue Series shall be raising of funds that the Issuer will use for financing its operating activities, including without limitation: • improvement of the ABLV Bank, AS in liquidation assets' and liabilities' distribution into maturity bands; • increase and maintenance of the liquidity level required for activities of ABLV Bank, AS in liquidation.
E.3	Terms and conditions of the offer	The total redenominated amount of the issue is equal to the respective amount in euro resulting from exchanging the amount of USD 69 995 000.00 (sixty-nine million nine hundred ninety-five thousand US dollars) to euro at the rate set by the European Central Bank as at 24 September 2018.

		The public offer start date is 21 September 2017. A representative of the Investment Company or the Investor itself, provided it has a financial instruments account opened with ABLV Bank, AS in liquidation, shall submit an order to the Issuer, using the sample form “Financial Instruments’ Trade Order” appended hereto, on working days from 08:30 till 18:30. The order may also be submitted electronically, using a corresponding order form in ABLV Bank, AS in liquidation Internetbank. The public offer end date shall be 23 October 2017. Orders shall be accepted by ABLV Bank, AS in liquidation till the end of the working day, i.e., 18:30, or electronically – till the end of the day, i.e., 23:59.
E.4	Possible conflicts of interests	ABLV Bank, AS in liquidation has no information on possible conflicts of interests related to the Bond issue.
E.5 – E.6		N/A
E.7	Expenses	All expenses related to the Bonds purchase and custody shall be covered by the Investor in accordance with the rates and charges of the investment company whose services are used for the Bonds purchase, custody and the relevant settlements. The Issuer shall not be obliged to reimburse the Investor for its expenses. The Investors may incur additional expenses due to the tax payment obligation in the Investor’s residence country. The Issuer shall withhold tax payments from the interest (coupon) payments in accordance with the provisions of effective normative acts of the Republic of Latvia.