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A B L V

General Terms of Liquidation of ABLV Bank, AS in Liquidation

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A1. Application

- A1.1. These General Terms of Liquidation of ABLV Bank, AS in liquidation (hereinafter referred to as the *Terms*) govern the procedure according to which ABLV Bank, AS in liquidation (registered with the Commercial Register of the Register of Enterprises of the Republic of Latvia under No. 50003149401, having its registered address at Building 1, 7 Skanstes Street, Riga, LV-1013, hereinafter referred to as the *Credit Institution in Liquidation*) accepts, examines and satisfies the claims of individuals, legal entities, partnerships, foundations and other persons (hereinafter referred to as the *Creditors*) against the *Credit Institution in Liquidation* within the process of voluntary liquidation.
- A1.2. Upon lodging of the *Creditor's* claim to the *Credit Institution in Liquidation*, the *Creditor* confirms that it has read the *Terms*, agrees thereto and recognises them as binding upon itself.
- A1.3. These *Terms* regulate relations between and are binding for the mutual legal relations of the *Credit Institution in Liquidation* and the *Creditor* within the process of voluntary liquidation.
- A1.4. Current version of the *Terms*, General Terms of Business and *Rates and Charges* of the *Credit Institution in Liquidation* are available for the *Creditor* at the premises of the *Credit Institution in Liquidation* during the working hours of the *Credit Institution in Liquidation* and at the website of the *Credit Institution in Liquidation* www.ablv.com, and in case of uncertainties the *Creditor* can call at +371 6777 5555 to receive consultation.
- A1.5. The headings and table of contents provided herein are for convenience of reference only and shall not affect construction or interpretation of these *Terms*.
- A1.6. These *Terms* enter into effect on June 18, 2018.
- A1.7. The terms used in the *Terms* have the same meaning as the terms used in the General Terms of Business of the *Credit Institution in Liquidation* unless these *Terms* contain special terms with different meaning.
- A1.8. Should any clause of these *Terms* become void because of amendments to the normative acts, other clauses of these *Terms* shall remain in full force and effect, and this being the case the *Terms* shall apply in accordance with the requirements of the effective normative acts.
- A1.9. Should the services not meeting the criteria of financial services be rendered to the persons by the *Credit Institution in Liquidation* after these *Terms* become effective and should those persons have outstanding obligations to the *Credit Institution in Liquidation* that have become due, the *Credit Institution in Liquidation* shall be entitled to stop rendering such services (including provision of different statements) until the said obligations are completely discharged by the respective person.

A2. Termination of the Provision of Financial Services of the Credit Institution in Liquidation

- A2.1. This Section of the *Terms* shall enter into force on the date the European Central Bank takes a decision to cancel the license of the *Credit Institution in Liquidation*.
- A2.2. From the moment this Section of the *Terms* enters into force, the *Credit Institution in Liquidation* terminates the provision of financial services to new clients.
- A2.3. After this Section of the *Terms* enters into force, the *Credit Institution in Liquidation* continues provision of financial services to persons with whom the *Credit Institution in Liquidation* has entered into contractual relationships before the entry of the *Terms* into force, considering the scope and procedure provided:
- 1) in applicable normative acts;
 - 2) in the General Terms of Business of the *Credit Institution in Liquidation*, unless these *Terms* provide special regulations.
- A2.4. If a person to which financial services are continued to be rendered by the *Credit Institution in Liquidation* has outstanding obligations to the *Credit Institution in Liquidation* and those obligations have become due, the *Credit Institution in Liquidation* shall be entitled to abstain from executing such person's orders regarding financial services (including the orders for sale/transfer of financial instruments) until the said obligations are completely discharged by the respective person. This clause of the *Terms* shall be applicable regardless the decision made by the European Central Bank on annulment of the license of the *Credit Institution in Liquidation*.
- A2.5. From the moment this Section of the *Terms* enters into force, the *Credit Institution in Liquidation* terminates provision of financial service "Current Account Opening and Service" and related services, as well as closes current accounts for all persons to whom the *Credit Institution in Liquidation* had opened such accounts before the date of entry into force of the *Terms*.
- A2.6. If at the moment of closing a current account the current account's balance is positive, the *Creditor* is entitled to lodge a claim for these funds to the *Credit Institution in Liquidation* in accordance with the procedure provided in the *Terms*.
- A2.7. The *Credit Institution in Liquidation* is entitled to send to the *Creditor* via *Internetbank* information about the current account balance on the closing day of the current account.

A3. Amendment of Terms

- A3.1. The *Credit Institution in Liquidation* is entitled to unilaterally amend the *Terms*. The *Credit Institution in Liquidation* will notify the *Creditor* of any such amendments to the *Terms* at the website of the *Credit Institution in Liquidation* **www.ablv.com** (publishing the text of the *Terms*).
- A3.2. The *Credit Institution in Liquidation* shall be entitled to inform the *Creditor* of such amendments to the *Terms* individually by means of a respective *Notice* or via *Internetbank*.
- A3.3. Amendments to the *Terms* shall enter into effect and become binding to the *Creditor* on the following day after the date of notification at the *Credit Institution in Liquidation* website **www.ablv.com**, unless such amendments to the *Terms* or legal enactments of the Republic of Latvia provide for a different term of entering into effect. The *Credit Institution in Liquidation* shall not be responsible for the *Creditor's* losses or other expenses, should the *Creditor* fail to familiarize itself with amendments to the *Terms*.
- A3.4. Amendments to the *Terms* are not applicable to the legal relationship of the *Credit Institution in Liquidation* and *Creditor* that have been terminated before the date of entry into force of the amendments to the *Terms*.

A4. Creditor's Proxy

- A4.1. The *Creditor* shall be entitled to authorise a third party to sign and lodge the claim, as well as communicate with the *Credit Institution in Liquidation*, on behalf of the *Creditor*. Such authorisation shall be executed in the form of a notarized Power of Attorney.
- A4.2. If the *Creditor's* claim lodged to the *Credit Institution in Liquidation* is signed by the *Creditor's* representative on behalf of the *Creditor*, such *Creditor's* claim shall be supplemented with a notarized Power of Attorney. If such authorization is not attached, the *Credit Institution in Liquidation* shall be entitled to reject the claim.
- A4.3. A Power of Attorney submitted to the *Credit Institution in Liquidation* shall be considered valid in relationships between the *Creditor* and the *Credit Institution in Liquidation* until the moment when the *Creditor* submits a written revocation of such power of attorney to the *Credit Institution in Liquidation* provided that rights of representation or attorney of the *Creditor's* representatives are revoked as of the moment the *Credit Institution in Liquidation* accepts such revocation submitted by the *Creditor*, or validity of such Power of Attorney expires. The *Credit Institution in Liquidation* shall not be responsible for the losses or other additional expenses of the *Creditor*, where the Power of Attorney is revoked and the *Credit Institution in Liquidation* has not been notified accordingly in writing.
- A4.4. Where an official of a legal entity represents the *Creditor* in the relations with the *Credit Institution in Liquidation*, the document evidencing the active status of the legal entity shall be submitted by the *Creditor* at least once per 2 years. The rights of the official to represent the *Creditor* in the relations with the *Credit Institution in Liquidation* shall be extended for 2 years from the date of issue of the document evidencing the active status of the legal entity.
- A4.5. Where the *Creditor's* representative acts on the basis of substitution of the *Creditor's* representative (assignment), then the powers of such *Creditor's* representative shall be considered valid, if the powers of the primary representative are valid, or where a Power of Attorney of a similar content has been issued to the primary attorney and the assignment has no stated term of validity.
- A4.6. The *Creditor* is obliged to ensure that the *Credit Institution in Liquidation* has at its disposal the documents certifying powers of the *Creditor's* representatives to act on behalf of the *Creditor* and identifying the *Creditor's* representatives. Unless the *Creditor* supplies the *Credit Institution in Liquidation* with such documents, the *Credit Institution in Liquidation* shall be entitled to immediately refuse communication with the *Creditor's* representative completely.
- A4.7. The *Credit Institution in Liquidation* shall be entitled to request and the *Creditor* shall be obliged to provide signature samples and a specimen of the seal imprint (where so available) of the *Creditor* and of the persons entitled to represent the *Creditor* in its relationships with the *Credit Institution in Liquidation*.
- A4.8. Upon review of the *Creditor's* claim, the *Credit Institution in Liquidation* shall identify the *Creditor* and its representative and examine its proxy adequacy in accordance with the laws of the Republic of Latvia and the requirements of the *Credit Institution in Liquidation*. The *Creditor* shall be obliged to supply the *Credit Institution in Liquidation* with the requested information and documents that certify authenticity of supplied information.
- A4.9. The *Credit Institution in Liquidation* shall compare the signature and the seal imprint, if any, of the *Creditor* or its representative in a signed document with the specimen signature and seal imprint submitted to the *Credit Institution in Liquidation*. In making such comparison, the *Credit Institution in Liquidation* shall not be obliged to take into account the colour of the seal imprint.

A5. The Procedure of Lodging, Examination and Admission of Creditor's Claim

- A5.1. The *Creditor* shall lodge the *Creditor's* claim to the *Credit Institution in Liquidation* in accordance with the procedure laid down in the Credit Institution Law of the Republic of Latvia, indications included in the call for lodging of the *Creditor's* claim of the *Credit Institution in Liquidation*, as well as additional conditions stipulated in the *Terms*. Pursuant to Paragraph 78 of the Transitional Provisions of the Credit Institution Law, the version of the Credit Institution Law effective until 14 November 2018 (inclusive), including provisions of Sections 192–195 of that version of the Credit Institution Law (hereinafter — the Credit Institution Law), shall be applicable to the legal relations between the *Creditor* and the *Credit Institution in Liquidation*.
- A5.2. The *Creditor* shall submit its claim to the *Credit Institution in Liquidation* using a special-purpose template drawn-up by the *Credit Institution in Liquidation*, which is available on the website of the *Credit Institution in Liquidation*, or in free form. A claim lodged in a free form should contain all the information as the template, as well as the documents stated in the form to be enclosed thereto shall be enclosed to the claim.
- A5.3. The *Creditor's* claim should be lodged to the *Credit Institution in Liquidation* within 3 (three) months from the moment when the liquidators of the *Credit Institution in Liquidation* have published in the official journal "Latvijas Vēstnesis" and on the website of the *Credit Institution in Liquidation* www.ablv.com a notice on launching the voluntary liquidation process of the *Credit Institution in Liquidation*.
- A5.4. The following information should be included in the *Creditor's* claim:
- identification data of the *Creditor*;
 - contact data of the *Creditor*;
 - amount of the *Creditor's* claim (principal claim, claim for payment of interest and other ancillary claims);
 - bank details for payment of funds for the satisfaction of the *Creditor's* claim;
 - documents attesting rights of the *Creditor's* claim to the *Credit Institution in Liquidation*;
 - information about representatives of the *Creditor* (if any).
- A5.5. The *Creditor* or its representative, provided the latter presents a notarized power of attorney, shall submit the *Creditor's* claim to the *Credit Institution in Liquidation* in person. The *Creditor's* claim may be submitted at the office of the *Credit Institution in Liquidation* at Building 1, 7 Skanstes Street, Riga only.
- A5.6. With regard to the signing of the *Creditor's* claim, the following procedure shall be complied with:
- the *Creditor* or its representative shall sign the *Creditor's* claim before an authorized representative of the *Credit Institution in Liquidation*, who shall identify the *Creditor* or its representative and certify the *Creditor's* or its representative's signature on the *Creditor's* claim, or
 - the signature of the *Creditor* or the *Creditor's* representative on the *Creditor's* claim shall be certified by a sworn notary.
- A5.7. When the liquidators of the *Credit Institution in Liquidation* identify that the submitted *Creditor's* claim and the attachments thereto contain sufficient information for assessment of such claim, the liquidators of the *Credit Institution in Liquidation* shall assess the submitted claim and take a decision on the admission of the *Creditor's* claim in full, the admission of a claim in part, or the rejection of a claim. The *Creditor* shall be notified about the decision made by the liquidators of the *Credit Institution in Liquidation*.
- A5.8. Under assessment of the *Creditor's* claims concerning particular types of obligations of the *Credit Institution in Liquidation*, the liquidators of the *Credit Institution in Liquidation* shall follow the rules stated below.
- A5.8.1. In case of subordinated bonds issued by the *Credit Institution in Liquidation*:
- value of subordinated bonds equal to the initial placement price of the issue shall be admitted as principal claim;
 - accrued income from the discount amortization shall be only admitted to the amount accrued for the period ending on (and inclusive of) 18.02.2018;
 - accrued interest income shall be only admitted to the amount accrued for the period ending on (and inclusive of) 18.02.2018.
- A5.8.2. In case of subordinated loans to the *Credit Institution in Liquidation*:
- loan principal shall be admitted as principal claim;
 - accrued interest income shall be only admitted to the amount accrued for the period ending on (and inclusive of) 18.02.2018.
- A5.8.3. In case of straight bonds issued by the *Credit Institution in Liquidation*:
- nominal value of the bonds shall be admitted as principal claim;
 - accrued interest income shall be only admitted to the amount accrued for the period ending on (and inclusive of) 12.06.2018.
- A5.8.4. In case of term deposits with the *Credit Institution in Liquidation*:
- term deposit principal shall be admitted as principal claim;
 - accrued interest income shall be only admitted to the amount accrued for the period ending on (and inclusive of) 12.06.2018.
- A5.9. In case the liquidators of the *Credit Institution in Liquidation* identify deficiencies in the submitted *Creditor's* claim (incomplete or incorrectly filled in *Creditor's* claim, deficiencies in the documents attached to the *Creditor's* claim), the liquidators of the *Credit Institution in Liquidation* shall notify the *Creditor* by sending a written notification to the *Creditor's*

mailing address, which is indicated in the part of the *Creditor's* claim "Contact data of the *Creditor*" or in the *Internetbank* and/or by e-mail (if the *Creditor* previously had given its consent to such information receipt in the *Internetbank* or by e-mail), also stating the deadline for remedying the deficiencies.

- A5.10. The *Creditor* shall be obliged within the deadline set by the liquidators to remedy the deficiencies identified by the liquidators of the *Credit Institution in Liquidation* in the *Creditor's* claim.
- A5.11. If the *Creditor* submits the *Creditor's* claim after the deadline specified in clause A5.3 of the *Terms*, then such *Creditor's* claim shall be deemed to be submitted after the deadline laid down in the law and shall be satisfied as lower-rank claim in accordance with the Credit Institution Law. If the *Creditor* does not remedy the identified deficiencies in the *Creditor's* claim (clause A5.10 of the *Terms*), the *Credit Institution in Liquidation* shall be entitled to reject the *Creditor's* claim. This being the case, the *Creditor* shall be entitled to lodge new *Creditor's* claim, and, following the admission, such claim shall be satisfied as the claim falling into the group stated in Clause 3 of Section 193 of the Credit Institution Law.
- A5.12. If the liquidators of the *Credit Institution in Liquidation* have admitted the *Creditor's* claim, disbursement of funds to satisfy the *Creditor's* claim shall be done in the order provided for in Sections 192 and 193 of the Credit Institution Law.
- A5.13. Disbursement of funds to satisfy the *Creditor's* claim may be postponed or declined, if there are certain impediments for such disbursement set forth in the normative acts, including the normative acts stipulating the requirements for the prevention of money laundering and terrorism and proliferation financing.
- A5.14. At the moment of payment of the *Creditor's* claim, the *Credit Institution in Liquidation* shall withhold taxes from the *Creditor's* claim amount according to the procedure and rate set forth in the normative acts of the Republic of Latvia. The *Credit Institution in Liquidation* shall not be responsible for payment of taxes where the procedure set forth in the normative acts of the Republic of Latvia does not stipulate the obligation of the *Credit Institution in Liquidation* to calculate and withhold the tax amount before payment of the *Creditor's* claim.
- A5.15. In accordance with the procedure set forth in the normative acts, the *Creditor's* claim against the *Credit Institution in Liquidation* may be transferred to another person (e.g., under assignment, reorganization, redomiciliation or liquidation of the *Creditor* (legal entity), inheritance, alienation of the bonds issued by the *Credit Institution in Liquidation*, or on other instances). This being the case, the former *Creditor* (hereinafter referred to as the *Former Creditor*) or the acquiring *Creditor* (hereinafter referred to as the *Acquiring Creditor*) shall inform the *Credit Institution in Liquidation* about the transfer of the *Creditor's* claim, enclosing the documents supporting such transfer. In case of redomiciliation (change of the legal entity's jurisdiction / country of registration) the documents supporting the transfer shall be accompanied by the documents evidencing the *Creditor's* exclusion or removal from the register of the country of registration and the registration in other jurisdiction, as well as containing the information on the registration data of the *Creditor* in the former and the new country of registration. The *Credit Institution in Liquidation* shall be entitled to apply the fee for consideration of the documents supporting the transfer of the *Creditor's* claim in accordance with the *Rates and Charges*. The *Credit Institution in Liquidation* shall consider such documents only after the said fee is paid by the *Creditor* to the *Credit Institution in Liquidation*.
- A5.16. After the *Creditor's* claim is transferred from the *Former Creditor* to the *Acquiring Creditor*, the *Acquiring Creditor* shall lodge the *Creditor's* claim to the *Credit Institution in Liquidation*. There is no need to revoke the *Creditor's* claim lodged by the *Former Creditor*.
- A5.17. After the *Creditor's* claim is lodged to the *Credit Institution in Liquidation* by the *Acquiring Creditor* and such claim is admitted by the *Credit Institution in Liquidation*, the *Acquiring Creditor* shall acquire all rights of the *Former Creditor* against the *Credit Institution in Liquidation*. The rights against the *Credit Institution in Liquidation* acquired by the *Acquiring Creditor* as a result of transfer of the *Creditor's* claim shall not exceed those initially set forth in the agreements made between the *Credit Institution in Liquidation* and the *Former Creditor*.
- A5.18. The rank assigned by the *Credit Institution in Liquidation* to the claim of the *Acquiring Creditor* taken over by the *Acquiring Creditor* from the *Former Creditor* shall be the same as the rank determined by the *Credit Institution in Liquidation* for the *Creditor's* claim lodged by the *Former Creditor*.
- A5.19. The amount of the *Creditor's* claim admitted by the *Credit Institution in Liquidation* shall be paid by the *Credit Institution in Liquidation* to the *Acquiring Creditor* after the *Compliance Condition* (see section A7 of the *Terms*) is met with regard to both the *Former Creditor* and the *Acquiring Creditor*. In case of multiple transfers of the *Creditor's* claim against the *Credit Institution in Liquidation*, i.e., from several *Former Creditors* to several *Acquiring Creditors*, the *Compliance Condition* is to be met with regard to all *Former Creditors* and *Acquiring Creditors*.
- A5.20. Should the *Credit Institution in Liquidation* have a counterclaim against the *Former Creditor* or the *Acquiring Creditor* after the transfer of the *Creditor's* claim from the *Former Creditor* to the *Acquiring Creditor*, the *Credit Institution in Liquidation* shall be entitled to extinguish the claim of the *Acquiring Creditor* against the *Credit Institution in Liquidation* in accordance with the procedure set forth in clauses A9.7–A9.11 of the *Terms* below.
- A5.21. Where the transfer of claim is regulated by normative acts of other countries (e.g., reorganization, redomiciliation, liquidation, insolvency of the creditor, etc.), the contents and form of all documents submitted with regard to such transfer of claim shall comply with the requirements of that country's normative acts regulating the transfer of claim. In addition to the documents submitted by the *Acquiring Creditor*, the *Credit Institution in Liquidation* shall be entitled to request a legal opinion to be given by an advocate practicing in the respective country on the requirements of that country's normative acts regulating the transfer of claim, as well as the opinion on accuracy and sufficiency of the submitted documents. The *Acquiring Creditor* shall reimburse the *Credit Institution in Liquidation* for the costs related to services provided by such advocate, and such costs shall be covered in advance in accordance with the provisions of the agreement made between the *Credit Institution in Liquidation* and the *Acquiring Creditor* for that purpose.

A6. Creditor Rights to Assign the Claim against the Credit Institution in Liquidation to a Third Party

- A6.1. The *Creditor* (hereinafter referred to as the *Assignor*) is entitled to assign its *Creditor's* claim against the *Credit Institution in Liquidation* to other person (hereinafter referred to as the *Assignee*) in accordance with the normative acts in force, by concluding an assignment agreement.
- A6.2. When lodging the *Creditor's* claim to the *Credit Institution in Liquidation*, the *Assignee* is obliged to supplement the *Creditor's* claim with the assignment agreement concluded between the *Assignor* and the *Assignee* (original or notarized copy). Signatures of the *Assignor* and the *Assignee* on the assignment agreement must be notarized.
- A6.3. If the *Creditor's* claim against the *Credit Institution in Liquidation* is assigned multiple times, i.e., from several *Assignors* to several *Assignees*, the person submitting the *Creditor's* claim to the *Credit Institution in Liquidation* shall supplement the claim with all the assignment agreements (originals or notarized copies) about the claim transfer from the original *Creditor* of the *Credit Institution in Liquidation*. Signatures of the *Assignor* and the *Assignee* shall be notarized on all assignment agreements.
- A6.4. If the *Creditor's* claim against the *Credit Institution in Liquidation* is based on assignment agreement, in addition to the assignment agreement the following documents shall be enclosed to the *Creditor's* claim:
- a) the documents mentioned in clause A5.4 e) above, including such regarding all previous *Assignors* and *Assignees*, if any;
 - b) the documents mentioned in clause A13.5 below;
 - c) the documents evidencing current legal status (legal capacity) of all previous *Assignors* and *Assignees* as at the moment of entering into the respective assignment agreement;
 - d) the documents evidencing the rights of representatives to represent all previous *Assignors* and *Assignees* as at the moment of entering into the respective assignment agreement.

A7. General Procedure for Payment of Creditor's Claims

- A7.1. The amount of the *Creditor's* claim admitted by the *Credit Institution in Liquidation* shall be paid by the *Credit Institution in Liquidation* to the *Creditor* only after all of the following conditions are met:
- the *Credit Institution in Liquidation* has completed the review with regard to the *Creditor* in accordance with the requirements of applicable legal acts on the prevention of money laundering and terrorism and proliferation financing and the decision on payment of the *Creditor's* claim amount has been made by the *Credit Institution in Liquidation* based on the results of such review (in the *Terms* referred to as the *Compliance Condition*);
 - the *Credit Institution in Liquidation* has made the decision on full or partial payment of the *Creditor's* claim amount with regard to the claim rank into which the respective *Creditor's* claim had been categorized (hereinafter referred to as the *Payment Condition*);
 - no other hindrances for payment of the *Creditor's* claim amount are set forth in the applicable normative acts.
- A7.2. The *Creditor's* claim amount shall be paid by the *Credit Institution in Liquidation* to the account held by the *Creditor* with a credit institution, payment institution, or electronic money institution (hereinafter referred to as the *Institution*) communicated by the *Creditor* to the *Credit Institution in Liquidation*. The *Credit Institution in Liquidation* shall be entitled to charge the fee for payment of the *Creditor's* claim amount if such is set forth in the *Rates and Charges*, withholding this fee from the claim amount payable to the *Creditor*.
- A7.3. For the *Credit Institution in Liquidation* to be able to ascertain that the *Creditor* is the account owner, the *Creditor* shall submit one of the following documents to the *Credit Institution in Liquidation*:
- duly made reference provided by the *Institution* and evidencing that the account is owned by the *Creditor* (original reference in paper form bearing the signature of the *Institution's* employee or reference in electronic form containing secure electronic signature, e.g., in edoc format, issued by credit institutions registered in Latvia);
 - account statement/report provided by the *Institution* (original account statement/report in paper form bearing the signature of the *Institution's* employee or reference in electronic form containing secure electronic signature, e.g., in edoc format, issued by credit institutions registered in Latvia);
 - account statement/report provided by the *Institution* in electronic form and containing the note that the document is valid without signature;
 - statement/report on the account held with the *Institution*, where the *Creditor* prints out such statement/report from the *Internetbank* before the employee of the *Credit Institution in Liquidation* and the employee of the *Credit Institution in Liquidation* certifies the same by putting the signature and stating that the document is made before the employee of the *Credit Institution in Liquidation*, also stating the certification date;
 - loan agreement made between the *Creditor* and the *Institution* (original loan agreement in paper form bearing the signature and/or seal of the *Institution's* employee);
 - escrow account agreement made between the *Creditor* and the *Institution* (original escrow account agreement in paper form bearing the signature and/or seal of the *Institution's* employee);
 - account opening agreement made between the *Creditor* and the *Institution* (original account opening agreement in paper form bearing the signature and/or seal of the *Institution's* employee);
 - executed payment order (original document in paper form bearing the signature and/or seal of the *Institution's* employee);
 - application of the *Creditor* who is the employee of the *Credit Institution in Liquidation* in which the number of the salary account of the employee of the *Credit Institution in Liquidation* is stated.
- A7.4. The documents evidencing the account ownership can be submitted personally at the office of the *Credit Institution in Liquidation* at: Building 1, 7 Skanstes Street, Riga, or by sending the original documents by post. Where the document evidencing the account ownership is made in electronic form, it can be submitted via the *Internetbank*. The documents evidencing the account ownership shall be accepted only provided those are made in Latvian, Russian, or English, and those documents shall contain the *Creditor's* company name/name and surname and at least one of the following additional identification parameters:
- registration number/personal number/date of birth;
 - identification document details (series and number of the identity document);
 - address.
- A7.5. The *Credit Institution in Liquidation* shall be entitled to pay the *Creditor's* claim denominated in foreign currency in EUR (euro), applying the currency exchange rate set by the European Central Bank on previous working day and effective as at the day on which the order for payment of the *Creditor's* claim amount to the account held by the *Creditor* with a credit institution, payment institution, or electronic money institution communicated by the *Creditor* to the *Credit Institution in Liquidation* is submitted by the *Credit Institution in Liquidation* to the credit institution with which the *Credit Institution in Liquidation* holds the current account.
- A7.6. Where the *Creditor's* claim denominated in foreign currency is expressed in EUR (euro) by the *Credit Institution in Liquidation* and the order for payment of the *Creditor's* claim amount is submitted by the *Credit Institution in Liquidation* to the credit institution with which the *Credit Institution in Liquidation* holds the current account, but the said order is not executed because of the reasons beyond the control of the *Credit Institution in Liquidation* (including refund to the current account of the *Credit Institution in Liquidation*), the *Credit Institution in Liquidation* shall not convert this *Creditor's* claim back to foreign currency, and the *Creditor's* claim shall remain expressed in EUR (euro).

A8. Special Procedure for Payment of Creditor's Claims regarding Bonds Issued by Credit Institution in Liquidation

- A8.1. This section of the *Terms* stipulates the special procedure for payment of the *Creditor's* claims arising out of the bonds issued by the *Credit Institution in Liquidation*. This section of the *Terms* shall not restrict or invalidate the rights and obligations of the *Credit Institution in Liquidation* and the *Creditor* set forth in other sections of these *Terms*.
- A8.2. Where the bonds issued by the *Credit Institution in Liquidation* have been purchased by the *Creditor* in the secondary market and those bonds are held with the *Credit Institution in Liquidation*, for the bond transfer order to be executed by the *Credit Institution in Liquidation*, the *Former Creditor* (seller of the bonds) shall submit the bond transfer order to the *Credit Institution in Liquidation*, enclosing the bond purchase agreement or other transaction document supporting the alienation of the bonds.
- A8.3. The *Creditor's* claims arising out of the bonds issued by the *Credit Institution in Liquidation* shall be satisfied by the *Credit Institution in Liquidation* in one of the following ways:
- the *Credit Institution in Liquidation* and the *Creditor* shall enter into, and perform, the bond purchase agreement (hereinafter referred to as the *Purchase Agreement*), according to the provisions of which the *Credit Institution in Liquidation* shall be the buyer of the bonds and the *Creditor* shall be the seller of the bonds;
 - the bonds issued by the *Credit Institution in Liquidation* shall be redeemed by the *Credit Institution in Liquidation* in the settlement system of the Central Securities Depository Nasdaq CSD, SE, following the procedure set forth in the rules of the Central Securities Depository Nasdaq CSD, SE.
- A8.4. The procedure for making the *Purchase Agreement* between the *Credit Institution in Liquidation* and the *Creditor* shall be as follows:
- the *Credit Institution in Liquidation* shall make a proposal (hereinafter referred to as the *Notice of Offer*) to enter into the *Purchase Agreement* to all *Creditors* that have lodged the *Creditor's* claims to the *Credit Institution in Liquidation* regarding the payment obligations of the *Credit Institution in Liquidation* arising out of the bonds issued by the *Credit Institution in Liquidation*, provided the claims of those *Creditors* have been admitted by the *Credit Institution in Liquidation* with regard to the respective part. The *Notice of Offer* shall be sent by the *Credit Institution in Liquidation* to the *Creditors* via the *Internetbank* or in other way agreed upon with the *Credit Institution in Liquidation*;
 - the *Creditor* shall express consent to enter into the *Purchase Agreement* by sending the notice of consent to enter into the purchase agreement (hereinafter — the *Creditor's Consent*) to the *Credit Institution in Liquidation* via the *Internetbank* or in other way agreed upon with the *Credit Institution in Liquidation*. For the *Purchase Agreement* to be made, the *Creditor's Consent* shall correspond to the form sent by the *Credit Institution in Liquidation* to the *Creditor* via the *Internetbank* together with the *Notice of Offer*;
 - where the bonds are held with the *Credit Institution in Liquidation*, the *Creditor's Consent* shall contain the order to the *Credit Institution in Liquidation* to block the bonds stated in the *Creditor's Consent* until complete fulfilment of the *Purchase Agreement*. Upon receipt of the *Creditor's Consent*, all bonds mentioned therein shall be blocked by the *Credit Institution in Liquidation* in the accounting system of the *Credit Institution in Liquidation*;
 - the *Notice of Offer* shall be void unless the *Creditor's Consent* is sent to the *Credit Institution in Liquidation* within the term stated in the *Notice of Offer*;
 - if claims from other persons concerning the bonds mentioned in the *Purchase Agreement* are received by the *Credit Institution in Liquidation* after entering into the *Purchase Agreement*, the grounds for those claims being an assignment agreement, pledge agreement, or other transaction, the *Purchase Agreement* shall become invalid.
- A8.5. The *Purchase Agreement* shall be constituted by these *Terms*, the *Notice of Offer*, and the *Creditor's Consent*. The *Purchase Agreement* shall be deemed made upon the *Creditor's Consent* is received by the *Credit Institution in Liquidation*.
- A8.6. The *Credit Institution in Liquidation* and the *Creditor* shall state the following information in the *Notice of Offer* and the *Creditor's Consent*:
- A8.6.1. Object of purchase:
- All bonds issued by the *Credit Institution in Liquidation* that belong to the *Creditor* and correspond to the admitted *Creditor's* claim.
- A8.6.2. Conditions for performing the *Purchase Agreement* on the part of the *Credit Institution in Liquidation* (to be met cumulatively):
- Compliance Condition* is met;
 - Payment Condition* is met.
- A8.6.3. Purchase amount:
- Value of the bonds issued by the *Credit Institution in Liquidation* that is determined in accordance with the provisions of clause A5.8.1 (subordinated bonds) and clause A5.8.3 (straight bonds) of the *Terms* above.
- The interest income on bonds that is due to the person to which the bonds belonged on 12 June 2018 (straight bonds) or 18 February 2018 (subordinated bonds) shall not be included in the purchase amount.
- A8.6.4. Settlement procedure regarding the object of purchase (bonds):
- Where the bonds are held with the *Credit Institution in Liquidation*:

- upon the *Compliance Condition* and *Payment Condition* are met and provided that there are no hindrances for payment of the *Creditor's* claim amount mentioned in clause A7.1.c) of the *Terms* above, the quantity of the bonds corresponding to the decision of the *Credit Institution in Liquidation* on payment shall be debited by the *Credit Institution in Liquidation* from the *Creditor's* accounting record with the *Credit Institution in Liquidation* (respective percentage of the *Creditor's* claims of relevant rank), and at the same time the *Credit Institution in Liquidation* shall ensure transfer of the respective quantity of the bonds from nominal account No. 0035 1102 of the clients of the *Credit Institution in Liquidation* with the Central Securities Depository Nasdaq CSD, SE to account No. 0035 2102 of the *Credit Institution in Liquidation* with the Central Securities Depository Nasdaq CSD, SE.
- b) Where the bonds are not held with the *Credit Institution in Liquidation* but are held with other financial instruments custodian:
- upon the *Compliance Condition* and *Payment Condition* are met and provided that there are no hindrances for payment of the *Creditor's* claim amount mentioned in clause A7.1.c) of the *Terms* above, the *Credit Institution in Liquidation* shall send a notice to the *Creditor* via the *Internetbank* or in other way agreed upon with the *Credit Institution in Liquidation*, the said notice (hereinafter referred to as the *Request for Bond Transfer*) containing the information about the *Creditor's* obligation to transfer the bonds the face value and other parameters of which conform to the decision of the *Credit Institution in Liquidation* on payment of the *Creditor's* claims (respective percentage of the *Creditor's* claims of relevant rank) to financial instruments account No. 0035 2102 of the *Credit Institution in Liquidation* with the Central Securities Depository Nasdaq CSD, SE, using the settlement method 'Free of Payment';
 - the transfer of the bonds the face value and other parameters of which correspond to those stated in the *Request for Bond Transfer* shall be performed by the *Creditor* to financial instruments account No. 0035 2102 of the *Credit Institution in Liquidation* with the Central Securities Depository Nasdaq CSD, SE, using the settlement method 'Free of Payment' and within the term stated in the *Request for Bond Transfer*.

A8.6.5. Settlement procedure regarding the purchase amount:

Within 5 (five) working days after the bonds are credited to the financial instruments account No. 0035 2102 of the *Credit Institution in Liquidation* with the Central Securities Depository Nasdaq CSD, SE, the order for payment of the purchase amount to the account held by the *Creditor* with a credit institution, payment institution, or electronic money institution communicated by the *Creditor* to the *Credit Institution in Liquidation* shall be submitted by the *Credit Institution in Liquidation* to the credit institution with which the *Credit Institution in Liquidation* holds the current account. Before submitting the payment order, the *Credit Institution in Liquidation* shall withhold taxes from the purchase amount in accordance with the procedure and the amount stated in the normative acts of the Republic of Latvia.

A8.6.6. Duration of the *Purchase Agreement*:

- a) the *Purchase Agreement* shall be effective until discharge of the obligations of the parties;
- b) the *Credit Institution in Liquidation* shall be entitled to terminate the *Purchase Agreement* unilaterally, having sent a notice on the same to the *Creditor* one month in advance, provided that as at the moment of sending the notice the *Credit Institution in Liquidation* has no outstanding payment obligations to the *Creditor* set forth in the *Purchase Agreement* in relation to the bonds ownership to which has been acquired by the *Credit Institution in Liquidation*.

A8.7. If the *Creditor* fails to express consent (accept) to enter into the *Purchase Agreement* within the term stated in the *Notice of Offer* and in accordance with the procedure set in clause A8.4 of the *Terms* above, the *Creditor's* claims arising out of the bonds issued by the *Credit Institution in Liquidation* shall be satisfied as follows:

A8.7.1. The *Credit Institution in Liquidation* shall postpone payment of such *Creditor's* claims until the *Compliance Condition* and *Payment Condition* are met with regard to all bonds of the respective bond issue of the *Credit Institution in Liquidation* (having particular ISIN code). The *Compliance Condition* and *Payment Condition* have to be met with regard to all bonds of the respective bond issue also where the bonds of such issue belong to the *Creditors* whose claims are assigned different ranks.

A8.7.2. Upon the condition set forth in clause A8.7.1 of the *Terms* above is met, the *Credit Institution in Liquidation* shall perform the payment of the *Creditor's* claim as follows:

- a) where the bonds are not held with the *Credit Institution in Liquidation* but are held with other financial instruments custodian, the *Credit Institution in Liquidation* shall pay the *Creditor's* claim amount by redeeming the whole respective bond issue (having particular ISIN code) in the settlement system of the Central Securities Depository Nasdaq CSD, SE;
- b) where the bonds are held with the *Credit Institution in Liquidation*, the *Credit Institution in Liquidation* shall pay the *Creditor's* claim amount to the account held by the *Creditor* with a credit institution, payment institution, or electronic money institution communicated by the *Creditor* to the *Credit Institution in Liquidation* and shall submit the order for redemption of the whole respective bond issue (having particular ISIN code) in the settlement system of the Central Securities Depository Nasdaq CSD, SE to the Central Securities Depository Nasdaq CSD, SE.

A9. Creditor's Claim Extinguishment by Set-off

- A9.1. Where the *Credit Institution in Liquidation* has counterclaim against the *Creditor* and such counterclaim and/or ancillary claims (interest, penalty, etc.) are due as at the moment of payment of the *Creditor's* claim, on the day preceding the day of payment of the *Creditor's* claim or on the day of payment of the *Creditor's* claim the *Credit Institution in Liquidation* shall extinguish the *Creditor's* claim against the *Credit Institution in Liquidation* to the amount equal to the counterclaim and/or ancillary claims of the *Credit Institution in Liquidation* by applying set-off to the counterclaims (including ancillary claims) of the *Creditor* and the *Credit Institution in Liquidation*.
- A9.2. Where the currency of the *Creditor's* claim is different from the currency of the counterclaim (including ancillary claims) of the *Credit Institution in Liquidation*, the *Credit Institution in Liquidation*, to apply the set-off, shall express the necessary amount of the *Creditor's* claim in the currency of the counterclaim of the *Credit Institution in Liquidation*, applying the currency exchange rate set by the European Central Bank on previous working day and effective as at the day of posting the entry.
- A9.3. Where the *Creditor* has several claims against the *Credit Institution in Liquidation* and those claims are expressed in different currencies, the *Credit Institution in Liquidation* shall be entitled to freely choose the *Creditor's* claim in the respective currency for expressing the *Creditor's* claim in the currency of the counterclaim of the *Credit Institution in Liquidation*.
- A9.4. The *Credit Institution in Liquidation* shall pay the claim amount to the *Creditor* only after set-off is applied by the *Credit Institution in Liquidation* to all counterclaims (including ancillary claims) of the *Creditor* and the *Credit Institution in Liquidation* that are due as at the moment of payment of the *Creditor's* claim.
- A9.5. If part of the *Creditor's* claim is extinguished under the set-off, the *Credit Institution in Liquidation* shall pay the remaining amount of the claim to the *Creditor*. If full amount of the *Creditor's* claim is extinguished under the set-off, the *Credit Institution in Liquidation* shall not make payment of the *Creditor's* claim to such *Creditor*. The notice on set-off shall be sent to the *Creditor* by the *Credit Institution in Liquidation* via the *Internetbank*.
- A9.6. Where a person (*Assignee*) becomes the *Creditor* of the *Credit Institution in Liquidation* pursuant to an assignment agreement, under which such person is assigned the claims of the initial *Creditor* (*Assignor*) against the *Credit Institution in Liquidation*, the *Credit Institution in Liquidation* shall apply set-off according to the procedure stated in clauses A9.7–A9.10 of the *Terms* below.
- A9.7. Where the *Credit Institution in Liquidation* has counterclaim against the *Assignor* as at the moment of payment of the *Assignee's* claim, the *Credit Institution in Liquidation* shall extinguish the *Assignee's* claim against the *Credit Institution in Liquidation* to the amount equal to the counterclaim and/or ancillary claims of the *Credit Institution in Liquidation* by applying set-off to the counterclaims (including ancillary claims) of the *Assignee* and the *Credit Institution in Liquidation*. The *Credit Institution in Liquidation* shall be entitled to apply the set-off mentioned in this clause provided both of the following conditions are met:
- a) the counterclaim and/or ancillary claim of the *Credit Institution in Liquidation* had arisen prior to the day on which the *Assignee's* notice on assignment was received by the *Credit Institution in Liquidation*;
 - b) the counterclaim and/or ancillary claim of the *Credit Institution in Liquidation* against the *Assignor* had fallen due prior to the day on which the *Assignee's* notice on assignment was received by the *Credit Institution in Liquidation*.
- A9.8. Where the *Credit Institution in Liquidation* has counterclaim against the *Assignee* and such counterclaim and/or ancillary claims are due as at the moment of payment of the *Assignee's* claim, the *Credit Institution in Liquidation* shall extinguish the *Assignee's* claim against the *Credit Institution in Liquidation* to the amount equal to the counterclaim and/or ancillary claims of the *Credit Institution in Liquidation* by applying set-off to the counterclaims (including ancillary claims) of the *Assignee* and the *Credit Institution in Liquidation*.
- A9.9. Where the currency of the *Assignee's* claim is different from the currency of the counterclaim (including ancillary claims) of the *Credit Institution in Liquidation*, the *Credit Institution in Liquidation*, to apply the set-off, shall express the necessary amount of the *Assignee's* claim in the currency of the counterclaim of the *Credit Institution in Liquidation*, applying by analogy the procedure stated in clauses A9.2 and A9.3 of the *Terms* above.
- A9.10. If part of the *Assignee's* claim is extinguished under the set-off, the *Credit Institution in Liquidation* shall pay the remaining amount of the *Assignee's* claim to the *Assignee*. If full amount of the *Assignee's* claim is extinguished under the set-off, the *Credit Institution in Liquidation* shall not make payment of the *Assignee's* claim to such *Assignee*. The notice on set-off shall be sent to the *Creditor* by the *Credit Institution in Liquidation* via the *Internetbank*.
- A9.11. The *Credit Institution in Liquidation* shall pay the claim amount to the *Assignee* only after set-off is applied by the *Credit Institution in Liquidation* to all counterclaims (including ancillary claims) of the *Assignee* and the *Credit Institution in Liquidation* according to the procedure stated in clauses A9.7–A9.10 of the *Terms* above.

A10. Property of Third Parties

A10.1. General provisions on custody of the property of third parties

The property of third parties held with the *Credit Institution in Liquidation* shall not be included in the list of the property of the *Credit Institution in Liquidation*. On 18 September 2018, the *Credit Institution in Liquidation* published the announcement in the official journal "Latvijas Vēstnesis" inviting third parties to receive their property (financial instruments and other assets) by 30 September 2019. This section A10 of the *Terms* stipulates the procedure for handling the following property of third parties held with the *Credit Institution in Liquidation* that remains not repossessed by third parties after 30 September 2019:

- a) financial instruments and
- b) funds held with the *Credit Institution in Liquidation* under third-party financial instruments transactions or gained from sale of financial instruments in accordance with the procedure set forth in clause A10.3 of the *Terms*.

(The assets mentioned in subclauses a) and b) of clause A10.1 of the *Terms* hereinafter referred to as the *Property of Third Parties*).

The *Credit Institution in Liquidation* shall be entitled to demand that third parties cover the expenses incurred under maintenance / alienation of their property according to the *Rates and Charges*.

A10.2. Funds custody procedure

- A10.2.1. The funds not claimed by third parties to be paid shall be transferred by the *Credit Institution in Liquidation* to the custody with other credit institution registered in the Republic of Latvia (hereinafter — the *Payment Credit Institution*) chosen at the option of the *Credit Institution in Liquidation*, and such transfer shall be performed in accordance with the procedure set forth in the Credit Institution Law.
- A10.2.2. A notice on transferring the funds of third parties held with the *Credit Institution in Liquidation* to the custody with the *Payment Credit Institution* shall be sent by the *Credit Institution in Liquidation* to third parties via the *Internetbank* and published in mass media and the official journal "Latvijas Vēstnesis".
- A10.2.3. The payment for custody of the funds transferred to the *Payment Credit Institution* shall be charged by the *Payment Credit Institution* in accordance with the rates and charges of the *Payment Credit Institution* from the amount of funds due to third parties that has been transferred by the *Credit Institution in Liquidation* to the custody with the *Payment Credit Institution*.
- A10.2.4. Third party shall forfeit the right of claim against the *Payment Credit Institution* if third party fails to receive the funds due to the same within 10 years. Such funds shall be due to the state as ownerless property.

A10.3. Handling of the financial instruments

- A10.3.1. The financial instruments not repossessed by third parties within the term set forth in clause A10.1 of the *Terms* shall be sold by the *Credit Institution in Liquidation* at public auctions according to the procedure stated below.
 - A10.3.1.1. The *Credit Institution in Liquidation* shall initiate the sale of the financial instruments of the respective third party after the *Credit Institution in Liquidation* completes the review regarding the respective third party in accordance with the requirements of applicable legal acts on the prevention of money laundering and terrorism and proliferation financing.
 - A10.3.1.2. If the financial instrument is admitted to a regulated market (stock exchange) and there are no hindrances for making and executing such financial instrument sale transaction at regulated market (stock exchange), the *Credit Institution in Liquidation* shall submit the financial instrument sale order at the regulated market (stock exchange). Such way of selling the financial instrument shall be deemed equal to sale at a public auction.
 - A10.3.1.3. If the financial instrument cannot be sold in accordance with the procedure set forth in clause A10.3.1.2 of the *Terms* above, the *Credit Institution in Liquidation* shall sell the financial instrument at public auctions, applying the following rules of public auctions:
 - a) the *Credit Institution in Liquidation* shall publish the announcement on sale of the financial instrument in the official journal "Latvijas Vēstnesis" (hereinafter — the *Notice of Sale*);
 - b) the persons willing to take part in the auction can find out the provisions of the purchase agreement (including those on the settlement procedure) by contacting the *Credit Institution in Liquidation* before the end of the auction period;
 - c) the *Credit Institution in Liquidation* shall enter into financial instrument purchase agreement with the highest bidder that meets the compliance requirements to the buyer stated in the *Notice of Sale*;
 - d) the *Credit Institution in Liquidation* shall be entitled to deny conclusion of the purchase agreement without explaining the reasons for the same, also following the assessment of the buyer's risks, in accordance with the requirements of applicable legal acts on the prevention of money laundering and terrorism and proliferation financing;
 - e) if the *Credit Institution in Liquidation* denies conclusion of the purchase agreement, the *Credit Institution in Liquidation* shall enter into financial instrument purchase agreement with the next

highest bidder. If there is no such bidder, the auction shall be deemed void, and the *Credit Institution in Liquidation* shall arrange another auction;

- f) if another auction does not result in conclusion of the financial instrument purchase agreement, clause A10.3.2 of the *Terms* shall be applicable.

A10.3.2. If the financial instruments cannot be sold at public auctions, the *Credit Institution in Liquidation* may transfer such financial instruments to custody, complying with the following provisions:

A10.3.2.1. having made a written agreement, the *Credit Institution in Liquidation* may transfer the financial instruments to the custody with the person selected by the *Credit Institution in Liquidation*, e.g., a credit institution, investment brokerage company, or sworn notary registered in the Republic of Latvia (hereinafter — the *Custodian*);

A10.3.2.2. the message on transferring the financial instruments of third parties held with the *Credit Institution in Liquidation* to the custody with the *Custodian* shall be sent by the *Credit Institution in Liquidation* to third parties via the *Internetbank* and published in mass media and the official journal "Latvijas Vēstnesis";

A10.3.2.3. the fee for custody of the financial instruments shall be paid by third parties to the *Custodian* in accordance with the rates and charges of the *Custodian* at the moment those third parties submit an order for receipt of the financial instruments to the *Custodian*;

A10.3.2.4. if third parties fail to receive the financial instruments due to them within ten years after the financial instruments are transferred to the *Custodian*, those third parties shall forfeit the right of claim to such financial instruments. Given the lapse of the prescriptive period of the financial instruments due to the said third parties, those financial instruments shall be due to the state as ownerless property.

A10.4. From the moment the *Property of Third Parties* is transferred by the *Credit Institution in Liquidation* to the *Payment Credit Institution* or the *Custodian* in accordance with the procedure set forth in clauses A10.2 and A10.3.2 of the *Terms*, the third party shall assume the risk of the *Payment Credit Institution's* or the *Custodian's* default on obligations and insolvency. The *Credit Institution in Liquidation* shall not be liable for losses that might be incurred by third parties through actions (inaction) of the *Payment Credit Institution* or the *Custodian*.

A11. Processing and Confidentiality of Personal Data of Individuals

- A11.1. The *Credit Institution in Liquidation* shall process personal data of the *Creditors*, representatives of the *Creditors* and actual beneficiaries of the *Creditors* (hereinafter referred to as the *Beneficiary*) within the process of its liquidation, hereinafter referred to as the Personal Data.
- A11.2. The *Credit Institution in Liquidation* shall perform the processing of the Personal Data having regard to the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of individuals with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation).
- A11.3. The purpose of the Personal Data processing is to ensure the voluntary liquidation process of the *Credit Institution in Liquidation*, by carrying out examination and satisfaction of the *Creditor's* claim according to the procedure laid down in the normative acts, as well as performance of other required functions within the voluntary liquidation of the *Credit Institution in Liquidation* in accordance with the requirements of applicable law.
- A11.4. The legal basis for processing of the Personal Data may be person's consent for data processing according to the submitted *Creditor's* claim, contractual relationships of the *Creditor* and the *Credit Institution in Liquidation*, fulfilment of legal obligation applicable to the *Credit Institution in Liquidation* according to the applicable law or ensuring of legitimate interests of the *Credit Institution in Liquidation*.
- A11.5. The *Credit Institution in Liquidation* is entitled to request, receive and process the Personal Data of the *Creditor*, representative of the *Creditor* and the *Beneficiary* also from other sources, incl. from private organizations and state and local government institutions, and databases and registers maintained by them.
- A11.6. In certain cases the *Credit Institution in Liquidation* shall perform an automated processing and individual decision-making, including profiling, in relation to the *Creditor*, if it is provided by the applicable law and regulations, or if it is necessary for fulfilment of a previously concluded agreement with the *Creditor*, or such processing of the Personal Data is justified with the legitimate interests of the *Credit Institution in Liquidation*. Profiling is an automated processing of the Personal Data with a view to evaluate certain personal indications, particularly within the client due diligence and transaction monitoring.
- A11.7. By submitting a written application to the *Credit Institution in Liquidation*, the *Creditor*, representative of the *Creditor* and the *Beneficiary* shall be entitled to become familiar with own data, to request rectification thereof, limitation of processing, have the rights to recall own consent and to object against the processing of data by the *Credit Institution in Liquidation*, as well as rights to the data portability. The *Credit Institution in Liquidation* shall ensure the said rights having regard to the General Data Protection Regulation for implementation of these rights. In certain cases the person's rights may not be observed or may be limited if it is justified with the legitimate interests of the *Credit Institution in Liquidation*.
- A11.8. The *Creditor*, representatives of the *Creditor* and the *Beneficiaries* agree that the *Credit Institution in Liquidation* is entitled to disclose the Personal Data in its possession to the following data recipients — service providers of the *Credit Institution in Liquidation*, including data processors, who perform processing of the Personal Data on behalf and in the interests of the *Credit Institution in Liquidation*, to the representatives and advisers of the *Credit Institution in Liquidation* (external auditors, revisers, legal and tax advisers, authorised persons, etc.), cooperation partners of the *Credit Institution in Liquidation*, financial and insurance brokers and other brokers, to whom the *Credit Institution in Liquidation* entrusts fulfilment of any obligations referred to in these *Terms* or with whom the *Credit Institution in Liquidation* collaborates otherwise to perform its functions, to the competent authorities, courts, arbitration courts or extrajudicial dispute resolution bodies of the Republic of Latvia, European Union or other countries to perform their functions pursuant to the applicable law and concluded agreements, as well as to the group companies of the *Credit Institution in Liquidation*. The *Creditor*, representative of the *Creditor* and the *Beneficiary* agree that the data recipients, to whom the *Credit Institution in Liquidation* submits the Personal Data, are entitled to process all the Personal Data of the *Creditor*, representative of the *Creditor* and the *Beneficiary* according to the applicable law and concluded agreement requirements.
- A11.9. The *Creditor*, representatives of the *Creditor* and *Beneficiaries* agree that the *Credit Institution in Liquidation* is entitled to send the Personal Data also outside Latvia, subject to the procedures specified in the General Data Protection Regulation and other applicable law. The *Credit Institution in Liquidation* shall carry out data transfer abroad in accordance with the consent of the *Creditor*, representative of the *Creditor*, which has been provided in accordance with these *Terms*, on the basis of contractual relationship between the *Creditor* and the *Credit Institution in Liquidation* or having regard to the legitimate interests of the *Credit Institution in Liquidation*.
- A11.10. The *Credit Institution in Liquidation* shall process the Personal Data of the *Creditor*, representative of the *Creditor* and *Beneficiary* not longer than it is reasonably necessary for the purposes for which the particular Personal Data are processed. The storage periods of the Personal Data are set on the basis of the applicable law or legitimate interests of the *Credit Institution in Liquidation*.
- A11.11. The *Creditor*, representative of the *Creditor* and *Beneficiary* are entitled to file a complaint on the processing of the Personal Data by the *Credit Institution in Liquidation* at the Data State Inspectorate, 11/13-11 Blaumana Street, Riga, LV-1011, phone: +371 6722 3131, e-mail: info@dvi.gov.lv.
- A11.12. All the information related to the *Creditors*, their transactions and *Creditors'* relationship with the third parties is confidential and should not be disclosed to the third parties without the *Creditor's* consent, except the information, which:
- is publicly available,

- b) is required by the financial institutions involved in the implementation of the *Creditor's* claim upon their request,
- c) is submitted to the group companies of the Credit Institution in Liquidation, incl., where required, in order for the Credit Institution in Liquidation and its group companies to be able to comply with the requirements of anti-money laundering and combating of terrorism and proliferation financing,
- d) may give evidence concerning criminal offense or violations of the normative acts by the Creditor, or is necessary for investigation and identification of such facts,
- e) is subject to submission to the supervising and auditing third parties of the Credit Institution in Liquidation,
- f) is subject to submission to the competent authorities of the Republic of Latvia, European Union or other countries to perform their functions according to the applicable law,
- g) is subject to submission to the tax administration authorities of the Republic of Latvia, European Union or other countries according to the cooperation agreement provisions which are concluded between the Credit Institution in Liquidation and the tax administration authorities of the said countries,
- h) is subject to submission to the outsourcing service providers, the Personal Data operators and authorised persons of the Credit Institution in Liquidation,
- i) is subject to submission to the cooperation partners of the Credit Institution in Liquidation, who are providing services to the Credit Institution in Liquidation or with whom the Credit Institution in Liquidation collaborates otherwise in order to satisfy the Creditor's claim or requirements of the applicable law,
- j) is subject to submission to the foreign tax administration authorities in accordance with the provisions of the applicable law,
- k) is subject to submission to the court, arbitration court or extrajudicial dispute resolution bodies according to the provisions of applicable law,
- l) is subject to submission to the financial institutions in the Republic of Latvia, Member States of the European Union or other foreign countries involved in the execution of the Creditor's payment.

In the cases referred to in this clause, the *Creditor* agrees that the *Credit Institution in Liquidation* is entitled to hand over information also outside Latvia in accordance with the procedure laid down in the applicable law.

A11.13. Confidential information is the secret of the *Credit Institution in Liquidation* and shall not be disclosed. Confidential information may only be disclosed in accordance with the legislation of the Republic of Latvia and these *Terms*.

A11.14. The *Creditor* agrees that the *Credit Institution in Liquidation* shall be entitled without prior notification to record and store all mutual communication and unilaterally choose technical means for recording mutual communication. The *Creditor* agrees that the *Credit Institution in Liquidation* shall be entitled to use mutual communication records as a proof of mutual dispute resolution and in court for protection of its interests. The *Credit Institution in Liquidation* shall not be obliged to store mutual communications records in favour of the *Creditor*.

A12. Notices and Information Exchange

- A12.1. Any information, orders, applications, instructions, notices and requests, except the *Creditor's* claim (in these *Terms* referred to as the *Notices*), arising from the *Creditor's* claim against the *Credit Institution in Liquidation*, may be submitted in person, sent in writing through a postal operator, via *Internetbank*. Terms of using *Internetbank* are governed by General Terms of Business of the *Credit Institution in Liquidation*.
- A12.2. All *Notices* submitted to the *Credit Institution in Liquidation* should be completed without corrections, deletions, erasures or *lapsus calami*, and shall be clearly legible and complying with the requirements set herein.
- A12.3. *Notices* to the *Credit Institution in Liquidation* that are sent through a postal operator should be sent to the registered address of the *Credit Institution in Liquidation*, and those shall be deemed received by the *Credit Institution in Liquidation* as they are recorded in the *Credit Institution's in Liquidation* document registry.
- A12.4. The *Notices* to the *Creditor* shall be sent through a postal operator to the address indicated in the *Creditor's* claim or to another contact address last communicated by the *Creditor*. The *Credit Institution's in Liquidation* shall not be responsible for losses or expenses incurred by the *Creditor* or a third party in case the *Creditor* has not notified the *Credit Institution in Liquidation* of change of address for sending of *Notices*, or has provided inaccurate or incorrect address designated for sending the *Notices*, and consequently has not received the *Notices* of the *Credit Institution in Liquidation*, or has not received them in due time.
- A12.5. The *Notices* sent from the *Credit Institution in Liquidation* to the *Creditor*, depending on the type of dispatch (postal operator, *Internetbank* or other), shall be considered received at the terms the documents are considered to be notified in accordance with the Law on Notification.
- A12.6. The *Credit Institution in Liquidation* shall not be responsible for losses or other additional expenses of the *Creditor*, which the *Creditor* may incur due to transmission failure, delay or misuse of information. The *Creditor* authorizes all its representatives, as well as other persons being at the address, where the *Notices* are sent to, to receive such *Notices*. In case any such authorised representative receives a *Notice*, the *Creditor* shall be considered to have received such *Notice*.
- A12.7. The seal of the *Credit Institution in Liquidation* and the signature of an employee of the *Credit Institution in Liquidation* on the *Notice* submitted by the *Creditor* constitute acceptance of such *Notice* for processing but do not impose a liability on the *Credit Institution in Liquidation* for execution of the *Notice*.
- A12.8. Only the *Notices* in Latvian, Russian or English shall be legally valid. The *Creditor* agrees that the language stated by the *Creditor* in the *Creditor's Notice* shall be the language of the *Creditor's Notices* submitted to the *Credit Institution in Liquidation*. The *Creditor* is obliged to make a *Notice* clear and certain. The *Credit Institution in Liquidation* is entitled to refuse to execute unclear *Notices* at its own discretion in full or partially. In case numbers in the *Notice* are stated both in words and in figures simultaneously, the numbers stated in words are valid in case of discrepancies.
- A12.9. If the *Credit Institution in Liquidation* considers there are potential inadequacies in the *Creditor's Notice*, including with respect to its authenticity or validity, or has doubts concerning the document's content, the *Credit Institution in Liquidation* is entitled to request the *Creditor* to repeat the *Notice* according to the form specified or request the *Notice* to be translated into the Latvian language and legalised. The *Credit Institution in Liquidation* is entitled to refuse execution of the *Notice* until a repeated *Notice* is received.
- A12.10. The *Credit Institution in Liquidation* shall process *Notices* on working days of the Republic of Latvia (that is on all days except Saturdays, Sundays and national holidays) during the *Credit Institution's in Liquidation* normal working hours (hereinafter referred to as the *Credit Institution in Liquidation* day). If the *Credit Institution in Liquidation* has accepted a *Notice* at any other time, the following *Credit Institution in Liquidation* day after that shall be considered the date of acceptance of the *Notice* for processing.
- A12.11. The *Credit Institution in Liquidation* shall examine the *Creditors' Notices* (except *Creditor's* claims submitted) within 30 days from the date the *Notice* and all due documents requested by the *Credit Institution in Liquidation* are submitted. However, should preparation of a response require additional time, the *Credit Institution in Liquidation* shall be entitled to extend the term for reviewing the *Creditor's Notice*, notifying the *Creditor* accordingly.

A13. The Creditor's Obligation of Cooperation and the Compliance Requirements

- A13.1. To ensure appropriate progress of legal relationships of the *Credit Institution in Liquidation* and the *Creditor*, the *Creditor* is obliged to immediately notify the *Credit Institution in Liquidation* of changes in personal and registration data of the *Creditor* and its representatives, data of their identity documents, address, other contact information, details according to which the payment of admitted claim amount is to be performed, legal capacity and ability to act, amount of the *Creditor's* claim, and of important changes in its financial condition, as well as of amendments to or termination of powers of attorney submitted to the *Credit Institution in Liquidation*.
- A13.2. The obligation of notification regarding the conditions listed in the clause above apply even if the changes in the *Creditor's* information submitted to the *Credit Institution in Liquidation* are included in public registers.
- A13.3. The *Creditor* shall be obliged to inform the *Credit Institution in Liquidation* of any facts and events known to the *Creditor* that may be an evidence of and/or lead to unfair gain for the *Creditor* and/or cause losses for the *Credit Institution in Liquidation*.
- A13.4. For the prevention of money laundering, terrorism financing, and violation of sanctions, the *Credit Institution in Liquidation* shall be entitled to request information and documents from the *Creditor* on the *Creditor*, the *Creditor's* representatives, and its *Beneficiary* (also on economic and personal activities, financial status, and source of funds). It shall be the *Creditor's* obligation to supply the *Credit Institution in Liquidation* with requested information and documents.
- A13.5. The *Credit Institution in Liquidation* shall determine the tax residency of the *Creditor* and, on instances set forth in the normative acts, the *Creditor's Beneficiary* and shall classify the *Creditor* (active or passive nonfinancial organization, financial institution, international organization, or central bank) and shall provide a report about the *Creditor's* and/or *Beneficiaries'* claim to the State Revenue Service of the Republic of Latvia according to the procedure set forth in the normative acts. The *Creditor* shall supply up-to-date and complete information about the tax residency of the *Creditor* and, on instances set forth in the normative acts, the *Creditor's Beneficiary* and about classification of the *Creditor* on the *Creditor's* own initiative and following the request of the *Credit Institution in Liquidation*.
- A13.6. The *Creditor* shall be liable for the losses incurred by the *Credit Institution in Liquidation* where the *Creditor* fails to timely provide up-to-date and complete information on the *Creditor's* own initiative or following the request of the *Credit Institution in Liquidation*.

A14. Legal Enactments and Procedures of Disputes Resolution

- A14.1. Legal relationships between the *Credit Institution in Liquidation* and the *Creditor* shall be subject to the legal acts of the Republic of Latvia and the European Union, international banking practice and customary practices.
- A14.2. Disputes between the *Creditor* and the *Credit Institution in Liquidation* may be resolved by the *Parties* through mutual negotiations.
- A14.3. Any *Creditor's* complaint (hereinafter referred to as the *Complaints*) against the *Credit Institution in Liquidation* shall be resolved on the following out-of-court basis:
- a) the *Creditor* shall address its *Complaint* to the *Credit Institution in Liquidation*;
 - b) the *Credit Institution in Liquidation* shall register the *Creditor's* *Complaint* and review the same within thirty days of submission of such *Complaint* and all documents requested by the *Credit Institution in Liquidation* in this connection.
- However, should preparation of a response require additional time, the *Credit Institution in Liquidation* shall be entitled to extend the term for reviewing the *Complaint*, notifying the *Creditor* accordingly.
- A14.4. Any dispute, discord or *Claim* arising from the legal relationships of the *Credit Institution in Liquidation* and the *Creditor* hereto, or the default, termination, lawfulness, validity or translation thereof shall be regulated by laws and regulation in force in the Republic of Latvia.
- A14.5. In the case of a discrepancy between the text of the *Terms* in the Latvian and the text of the *Terms* in another language, the *Terms* in the Latvian shall prevail.
- A14.6. Should any clause of these *Terms* become void because of amendments to the normative acts, other clauses of these *Terms* shall remain in full force and effect, and this being the case the *Credit Institution in Liquidation* and the *Creditor* shall apply the *Terms* in accordance with the requirements of the effective normative acts.