

Fixed Deposit Terms (card collateral)**1. General provisions**

- 1.1. Terms:
- 1.1.1. *Bank* – the JSC “Akciju komercbanka “Baltikums””;
 - 1.1.2. *Depositor* – an individual or a corporate person, whose Deposit Account is opened with the Bank;
 - 1.1.3. *Agreement* – the Fixed Deposit Agreement concluded between the Bank and the Depositor;
 - 1.1.4. *Terms* – the terms of the Fixed Deposit that serves as a *collateral of the card*, which are an integral part of the Agreement;
 - 1.1.5. *Deposit (Deposit amount)* – funds deposited by the Depositor with the Bank paragraph 2 of the Agreement;
 - 1.1.6. *Deposit Account* – the Depositor’s account opened with the Bank, where the Depositor’s funds are kept over the Deposit period;
 - 1.1.7. *Interest* – the customer’s remuneration for keeping his/its Deposit with the Bank according to the rate pursuant to paragraph 4 of the Agreement;
 - 1.1.8. *Card Agreement* – the Agreement on Opening a Payment Card Account, Issuing and Servicing a Payment Card entered into by the Depositor and the Bank;
 - 1.1.9. *Card* – a payment card issued and serviced by the Bank, whose issue and servicing are regulated by the Card Agreement entered into by the Depositor and the Bank.
- 1.2. The Agreement shall take effect from the moment of being entered into. After the Agreement is entered into, the Bank shall open a Deposit Account for the Depositor, and the Depositor shall credit it with the Deposit amount. Upon expiry of validity of the Agreement, the Bank shall close the Deposit Account.
- 1.3. Validity of the Fixed Deposit Agreement shall be longer than that of the payment card by one calendar month. Such condition shall also be applicable in cases where validity of the payment card is extended.
- 1.4. The Deposit amount may not be replenished over validity of the Agreement.

2. Interest

- 2.1. Interest shall be accrued on the amount pursuant to paragraph 2 of the Deposit Agreement for the actual period of being kept in the Deposit Account (every calendar day, including days off and holidays) with the annual interest rate pursuant to the Bank’s Price List being applied.
- 2.2. The initial and the final days of interest accrual shall be considered as one day; it is assumed that Interest is not accrued on the initial (first) and is accrued on the final (last) of such days. In calculation of interest payments in Latvian lats and foreign currencies, except those stated below, it is assumed that a year covers 360 days, and for British pounds, Australian dollars, Canadian dollars, Russian roubles and Ukrainian hryvnas it is assumed that a year covers 365 days against the actual number of days (365/365). No interest shall be accrued on Interest that the Depositor fails to withdraw.

3. Paying out the Deposit and Interest

- 3.1. The Bank shall pay out to the Depositor:
- 3.1.1. Interest – when the Deposit amount is paid out;
 - 3.1.2. Deposit amount – on the thirty-first day upon expiry of validity of the Card or termination of validity of the Card Agreement.
- 3.2. In cases where the day when the Deposit amount or the Interest is to be paid out is a day off or a holiday, such payment shall be made on the following working day.
- 3.3. The Deposit amount and Interest shall be paid out according to procedures pursuant to paragraph 5 (Type of settlement) of the Agreement.

4. Terms of collateral

- 4.1. The Deposit and the Interest shall serve as collateral (financial pledge) of all claims of the Bank that ensue from the Card use pursuant to the Card Agreement entered into by the Depositor and the Bank. In cases of default or inappropriate fulfilment of the Card Agreement, the following claims shall be secured by the Deposit and the Interest:
- Principal claim – the amount of the allowed credit granted to the Depositor pursuant to the Card Agreement, and the amount of the non-allowed credit, if used;
 - Lateral claims – Interest for use of the allowed and non-allowed credit pursuant to the Bank’s Price List, penalties, expenses and losses to be covered by the Depositor pursuant to the Card Agreement.
- 4.2. The Deposit shall be held by the Bank.
- 4.3. The Depositor represents that his/its Deposit or accrued outstanding Interest are not and will not be pledged to anyone (any third person), are not and will not be encumbered otherwise over validity of the Agreement, there are no disputes concerning their ownership, and no restrictions or bans on their pledge or recovery.
- 4.4. The Depositor shall notify the Bank in writing about changes concerning any facts pursuant to paragraph 4.3 of the Terms above, as well as about all circumstances that may impact on the condition pursuant to paragraph 4.3 of the Terms above immediately.
- 4.5. In cases where the Depositor fails to fulfil his/its liabilities under the Card Agreement or to fulfil them appropriately, the Depositor authorises the Bank to debit unilaterally the Depositor’s Deposit Account with funds to the amount required to satisfy (cover) the Bank’s claims pursuant to paragraph 4.1 of the Terms above (exercise of lien). The Bank also exercise lien in other cases pursuant to the law and the Card Agreement.

5. Validity of the Agreement

- 5.1. In cases where validity of the Card is extended, validity of the Agreement (Deposit period) shall be considered extended automatically pursuant to paragraph 1.3 above, with the interest rate pursuant to the Bank’s Price List being applied.
- 5.2. The Depositor terminate the Agreement unilaterally by a written notice of 30 (thirty) days to the Bank and submitting his/its application for closing the Card and its account to the Bank. In such cases the Bank shall only pay out the Deposit amount to the Depositor. In such cases the Depositor shall lose his/its right to the accrued Interest.
- 5.3. The Bank terminate the Agreement unilaterally, in cases where the Depositor fails to fulfil his/its liabilities against the Bank or to fulfil them appropriately. When the Agreement is terminated, the Bank shall pay out the deposit amount and the accrued Interest to the Depositor according to procedures pursuant to paragraph 5 of the Agreement within a month after such decision is taken.

6. Other provisions

- 6.1. The Depositor undertakes to notify the Bank immediately about any changes in his/its information stated in the Agreement, as well as shall supply additional information about himself/itself or his/its activities at the Bank’s request. The Depositor shall be responsible for authenticity and completeness of data supplied to the Bank, as well as for their supply on time.
- 6.2. Legal relations between the Parties shall be determined by provisions of business documents concluded between them, legal norms of the Republic of Latvia, as well as by the General Terms of Business of the JSC “Akciju komercbanka “Baltikums””, to the extent not contradicting to provisions of the above-mentioned legal enactments. The Bank shall receive charges for the services provided to the Depositor pursuant to the Bank’s applicable Price List as of the moment when the service is provided.
- 6.3. The Bank’s General Terms of Business and the Bank’s Price List shall be an integral part of the Terms and shall be accessible in the Bank’s premises during its working hours, as well as on the Bank’s WEB page www.baltikums.lv. The Bank revise such documents unilaterally without any special notice to the Depositor.
- 6.4. Disputes and disagreements between the Parties that arise in relation to the Agreement shall be resolved at the claimant’s choice in courts of general jurisdiction of the Republic of Latvia or the Court of Arbitration of the Association of Commercial Banks of Latvia in Riga, pursuant to the Bylaws, the Regulations of the Court of Arbitration and the Regulations “On the Costs of the Court of Arbitration of the Association of Commercial Banks of Latvia. Provisions of such documents shall be considered incorporated in this paragraph. The award of the Court of Arbitration shall be final, not liable to appeals and binding upon the Parties. The litigation shall be conducted in the Latvian language. There shall be one arbitrator. We hereby authorise the Chairman of the Court of Arbitration of the Association of Commercial Banks of Latvia to appoint such arbitrator. (corp. pers.) or Disputes and disagreements between the Parties that arise in relation to the Agreement shall be resolved in courts of general jurisdiction of the Republic of Latvia according to the relevant jurisdiction. (indiv.)