

# DEPOSIT ACCEPTANCE, SERVICE AND CLOSURE RULES

## 1. TERMS USED IN THE RULES

**Bank** – AS “Industra Bank”, unified registration No. 40003194988, legal address Muižtas str. 1, Rīga, LV-1010.

**Price List** – List of service prices in force at the time of provision of Bank’s services (operations) about the services (operations) provided by the Bank, available at <https://industria.finance/>

**Deposit end date** – date, when deposited monetary funds of the Customer and Interest are paid to the Current Account of the Customer.

**Deposit Account** – in accordance with provisions of these Rules, the Customer has opened account, where monetary funds deposited by the Customer are placed and accounted for a certain period of time.

**Deposit start date** – date, when monetary funds are transferred into the Deposit Account; as of this date the Deposit Term is commenced.

**Deposit Sum** – amount of monetary funds of the Customer, which are deposited into the Deposit Account in accordance with the Rules of the Agreement.

**Deposit Term** – time period, for which the Customer deposits monetary funds in accordance with the Agreement.

**Deposit** – deposit of monetary funds of the Customer in the Bank for a certain period of time, in accordance with the selected Deposit type and certain Interest rate.

**Customer** – a natural or legal person, who has a current account opened with the Bank and with whom the Agreement is concluded.

**Parties** – the Bank and the Customer jointly.

**Agreement** – Agreement on acceptance, service and closure of Deposit, which shall be deemed as concluded between the Bank and the Customer and consisting of the Application for placement of deposit, Deposit acceptance, service and closure Rules, Price List and General Business Terms and Conditions of the Bank.

**Current Account** – current account of the Customer with the Bank, which is specified in the Application and from which the Deposit is transferred to the Deposit Account.

**Rules** – Deposit acceptance, service and closure Rules.

**Consumer** – Customer – a natural person to be considered as such in accordance with the Consumer Rights Protection Law of the Republic of Latvia.

**Application** – an application form of Application for placement of Deposit filled in at the Customer Service Centre or by using Internet bank, where the Customer has given an order on placement of Deposit, specifying the Deposit type, Deposit term, Deposit Sum, Deposit currency and interest rate, which shall be deemed as irrevocable consent of the Customer for conclusion of the Agreement.

**Interest** – interest that the Bank pays to the Customer for Deposit and which is calculated from the Deposit Sum, and depends from the deposit period and Interest rate of the Deposit.

**Interest rate** – annual interest rate that the Bank pays for the Deposit of the Customer, depending on the time period for which the Deposit is made, currency and frequency of Interest pay-out. Interest rate shall be specified in the Application in accordance with the Price List or in accordance with the separate agreement between the Bank and the Customer.

### **Deposit types:**

**Simple deposit** – monetary funds of the Customer that are transferred into the Deposit account for a certain period of time, with a certain fixed Interest Rate and pay-out of the Deposit and Interest at the end of the Deposit period, or with pay-out of the Deposit at the end of the period and pay-out of Interest once per month.

**Business deposit** – monetary funds of the Customer - legal entity - which are transferred into the Deposit Account for a certain period of time, with a certain fixed interest rate, regarding which the Customer and the Bank agree before entering into the Agreement. Business deposit sum and Interest shall be paid-out at the end of the Deposit period.

## 2. GENERAL RULES

- 2.1. In order to enter into this Agreement, the Customer should have a Current Account opened with the Bank.
- 2.2. When submitting the Application, the Customer shall be entitled to select any of the following Deposit types:
  - 2.2.1. Simple deposit - a possibility for the Customer to select the Interest pay-out conditions:
    - 2.2.1.1. to receive the calculated Interest at the end date of the Deposit;
    - 2.2.1.2. to receive the calculated Interest once per month on a certain date.
  - 2.2.2. Business deposit (only for legal entities)..
- 2.3. The Agreement shall be deemed as concluded as of the moment, when the Bank accepts and approves the Application of the Customer. The Bank shall accept and approve the Application of the Customer submitted via Internet bank during the weekend or official holiday, or after the end of the business day of the Bank on the next business day of the Bank, and the Agreement shall be deemed as concluded on this next business day of the Bank.
- 2.4. The Agreement shall enter into force only after transfer of the Deposit Sum into the Deposit Account.
- 2.5. The minimum amount of the Deposit is determined in the Price List.
- 2.6. The Customer may make a Deposit with the Bank only in the currency and for the time period specified in the Price List at the time of conclusion of the Agreement, unless the Bank and the Customer have agreed otherwise in the Agreement.
- 2.7. The Customer may secure the fulfilment of obligations towards the Bank arising on the basis of any other certain document (contract or agreement) for the purpose of the Financial Collateral Law by Deposit and Interest. In such a case the Bank shall be entitled in case of non-fulfilment of such obligations to withhold the Deposit or any part thereof and Interest or a part thereof in favour of itself in the amount of non-fulfilled obligations without agreement with the Customer.

## 3. ENTERING INTO THE DEPOSIT AGREEMENT

- 3.1. In order to enter into the Agreement, the Customer shall submit to the Customer Service place of the Bank or by using Internet bank, the Application drawn up in accordance with the requirements of the Bank, specifying the Deposit type, Deposit period, Deposit Sum, Deposit currency and Interest Rate.
- 3.2. Upon signing the Application, the Customer shall authorise the Bank to write-off the Deposit Sum specified in the Application from the Current Account.
- 3.3. The Agreement shall enter into force, when the necessary monetary funds in the amount of the Deposit Sum in accordance with the Application are transferred into the Deposit Account of the Customer.
- 3.4. The Agreement shall be in force until the end date of the Deposit determined in the Application, or until the time when the Customer or the Bank preliminary terminates its validity in accordance with the procedure determined in these Rules.

## 4. INTEREST

- 4.1. The Bank shall pay Interest for depositing the monetary funds in the Deposit Account.
- 4.2. Interest shall be calculated from the moment of transfer of monetary funds into the Deposit Account until the end of the Deposit period (excluding the end date of the Deposit). Interest for previously calculated interest sum shall not be calculated (interest shall not be capitalized). The first day of the Deposit period and the last day of the Deposit period shall be deemed as one day.
- 4.3. Interest for monetary funds deposited shall be calculated for each calendar day, considering the balance on the Deposit Account at the end of each day.
- 4.4. Interest shall be calculated in accordance with the Interest Rate, presuming that a year consists of 365 days and considering the actual number of calendar days during the month.
- 4.5. Interest Rate shall be fixed during the whole Deposit period.

## 5. PAY-OUT OF DEPOSIT SUM AND INTEREST

- 5.1. The Bank shall pay to the Customer the Deposit Sum and Interest by transferring them to the Current Account specified in the Application.
- 5.2. If at the time of pay-out of the Deposit Sum the Deposit Sum and/or Interest are a collateral of the obligations of the Customer or any other customer towards the Bank, the Deposit Sum and/or Interest shall not be paid-out to the Customer until fulfilment of secured obligations towards the Bank in full amount.
- 5.3. Interest shall be paid-out in accordance with the provisions of the Deposit type selected by the Customer.
- 5.4. The Bank shall be entitled not to pay Interest, if:
  - 5.4.1. the Agreement is terminated before the Deposit period.
  - 5.4.2. the Deposit Sum or its part is used as a financial collateral for fulfilment of obligations of the Customer towards the Bank.
- 5.5. The pay-out day of the Deposit shall be on the end date of the Deposit specified in the Application.
- 5.6. If the Deposit period is expressed in calendar days, then the pay-out day of the Deposit is the last calendar day of the Deposit period. If the Deposit period is expressed in months, then the Deposit pay-out day shall fall due on the start date of the Deposit of the relevant month. If the Deposit period is expressed in years, then the Deposit pay-out day shall fall due on the start date and month of the Deposit of the relevant year.
- 5.7. If the relevant month does not have a date of the day, which corresponds with the start date of the Deposit, then the pay-out day of the Deposit shall fall due on the next day after the start date of the Deposit.
- 5.8. If the pay-out term of the Deposit Sum or Deposit Interest falls into the day, which is not the business day of the Bank, the Bank shall be entitled to make the pay-out on the next business day of the Bank.
- 5.9. When making the pay-out of the Deposit Sum and/or Deposit Interest, the Bank shall withhold tax and duty payments from the sums to be paid to the Customer, in accordance with regulatory enactments being in force in the Republic of Latvia.

## 6. EARLY TERMINATION OF THE DEPOSIT AGREEMENT

- 6.1. The Customer shall be entitled to claim for termination of the Agreement at any time during validity thereof, taking into account the Rules, except the case, when the Deposit is used as financial collateral.
- 6.2. If the Consumer has entered into the Agreement with the Bank and the Agreement is concluded by using Internet bank, then the Consumer shall be entitled within 14 (fourteen) days after conclusion of the relevant Agreement to exercise the rights of withdrawal and to unilaterally withdraw from the Agreement. In case of use of the rights of withdrawal, the Consumer shall submit to the Bank the application on use of the rights of withdrawal by using the Internet bank. In such a case the contractual penalty for early termination of the Agreement shall not be applied.
- 6.3. If the Consumer notifies the Bank on the use of the rights of withdrawal afterwards, when the Deposit Sum is transferred into the Deposit Account of the Consumer, the Bank shall return the Deposit Sum to the Consumer without paying the Interest to the Consumer.
- 6.4. If the Deposit is terminated on the basis of initiative of the Customer before expiry of the validity period of the Agreement, the Customer (including also the Consumer, if he or she has not used the rights of withdrawal determined in Clause 6.2) shall be subject to the relevant contractual penalty in accordance with the Price List, depending on how many calendar days in advance (at least 30 (thirty) or less than 30 (thirty)) the Customer has warned the Bank in writing on early termination of the Agreement.
- 6.5. If the Customer preliminary terminates the Agreement, the Interest shall not be paid-out, and the amount of Interest previously paid-out, if any, shall be withheld from the Deposit Sum or any other monetary funds of the Customer with the Bank.
- 6.6. The Bank shall be entitled by warning the Customer in advance in writing to terminate the Agreement and close the Deposit Account of the Customer before the end date of the Deposit, if:

- 6.6.1. the Customer fails to fulfil the requirements determined by the Bank with regard to diligence of the Customer or any national or international sanctions, including US OFAC sanctions, are applied to the Customer (or any person related to it).
- 6.6.2. recovery is being directed towards monetary funds of the Customer, in accordance with regulatory enactments being in force in the Republic of Latvia.
- 6.6.3. the Bank terminates business relations with the Customer at its own initiative in accordance with the procedure and in cases determined in the regulatory enactments.
- 6.6.4. the Bank uses Deposit as a financial collateral for covering of non-fulfilled financial obligations of the Customer.
- 6.7. in case of death of the Customer (natural person) or in case of liquidation of the Customer (legal entity), if heirs, administrator or other legal successors require preliminary termination of the Deposit, the Deposit shall be returned without Interest (previously paid and calculated), paying the contractual penalty determined in the Price List, in accordance with submission of the persons, who have submitted to the Bank the documents, confirming the right to operate with monetary funds of the Customer.
- 6.8. The Customer shall not be entitled to claim for preliminary pay-out of the placed Deposit Sum by instalments.

## **7. SPECIAL PROVISIONS**

- 7.1. As of the moment, when the Customer has obligations towards the Bank, the monetary funds of the Customer deposited and the calculated Interest shall be deemed as financial collateral of fulfilment of any obligation of the Customer towards the Bank for the purpose of the Financial Collateral Law of the Republic of Latvia and shall be pledged in favour of the Bank as a financial collateral, and upon the occurrence of event of fulfilment of obligations, the Bank shall be entitled to write-off the amount of non-fulfilled obligations from the Deposit Account and transfer it for covering of non-fulfilment obligations of the Customer. In case if the Customer is a natural person, the Bank shall be obliged to inform the Customer on the use of the financial collateral.
- 7.2. In case of death (natural person) or liquidation (legal entity) of the Customer, heirs, administrator or other legal successors shall take over the obligations and rights determined in the Agreement on the same rules determined in the Agreement for the Customer.
- 7.3. Legal relations of the Customer and the Bank arising from the Agreement that are not stipulated in the Agreement shall be governed by the General Business Terms and Conditions of the Bank as well as regulatory enactments of the Republic of Latvia.
- 7.4. The Bank shall guarantee repayment of the Deposit Sum to the Customer, in accordance with the terms and conditions of the Deposit Guarantee Law of the Republic of Latvia.