

TERMS AND CONDITIONS OF THE CONTRACT ON USE OF COMMUNICATIONS CHANNELS

I Terms and Definitions

- 1.1. Settlement Account – a settlement and/or securities' account opened with the Bank for a natural or a legal person, which is connected with the service of communication channels regulated by this contract.
- 1.2. Digipass – electronic device (PIN-calculator), which generates combinations of numbers, which the Bank uses in identifying persons and/or confirming Operations.
- 1.3. Price List – rates of fees for services established by the Bank to be paid by the recipient of the relevant service. The Bank can change the Price List unilaterally. The Price List is available in the Bank's webpage.
- 1.4. Internet Service - the performance of banking operations via the Internet in the account(s) that have been opened with the Bank and are connected with the Internet Service in the Bank's server at the address determined by the Bank.
- 1.5. Username – the secret combination consisting of at least six numbers and/or letters which identifies the Customer and which is determined by the Customer.
- 1.6. Customer – one or several persons appointed by the owner of the Settlement Account, incl. the owner of the Settlement Account, who shall be entitled to make Operations connected with the Settlement Account within the limits established by the owner of the Settlement Account.
- 1.7. Code Card – a set of personal identification numbers containing security codes.
- 1.8. Contract – the contract on use of communications channels and its terms and conditions concluded between the Bank and the Customer.
- 1.9. Bank's Representative – an employee of the Bank whom the Customer provides with information and instructions by telephone.
- 1.10. Banking Day – a day, when money markets and credit institutions are open for executing Operations in the Republic of Estonia and other countries, of which currencies the Operations are made.
- 1.11. Bank's webpage – webpage of the Bank, www.versobank.com and its subpages.
- 1.12. Bank – Versobank AS (registration code 10586461).
- 1.13. Password - the secret combination consisting of at least six numbers and/or letters which identifies the Customer, which is determined by the Customer and which is necessary for using the Internet Service.
- 1.14. Communications Channels Service – the Internet Service and Telephone Service collectively and separately.
- 1.15. Telephone Service – the performance of Operations by telephone in the account(s) that have been opened with the Bank and are connected with the Telephone Service.
- 1.16. Conditions – these Terms and Conditions of the Contract on Use of Communications Channels, which are obligatory to follow by the Customer in using the Communications Channels Service.
- 1.17. Operations – payment transactions and other banking operations, incl. transfers and conclusions of contracts, for what the Customer has forwarded order to the Bank via the Communications Channels Service in accordance with the terms, conditions and possibilities of the service.
- 1.18. Security Features – the Username, the Password, the Code Card and the Digipass collectively and separately, based on what the Bank identifies the Customer and enables the Customer to use the Telephone and/or the Internet Service for performing Operations.

2. General provisions

- 2.1. The object of the Contract is the servicing of the Customer by the Bank via the Communications Channels Service.
- 2.2. The provision of the Communications Channels Service shall be based upon the Contract, the Settlement Contract, the

General Terms and Conditions of the Bank as well as other agreements concluded between the Bank and the Customer for the purpose of consuming a particular service either directly or via the Communications Channels Service.

3. Technical Requirements

3.1. In order to consume the Communications Channels Services, the Customer shall ensure that his or her communication means and connections conform to the technical requirements established by the Bank, about what the Customer shall get detailed information from the Bank's office or in the contacts indicated in the Bank's webpage.

3.2. The Customer shall at his or her own expense and responsibility obtain a secure possibility for consuming the Communications Channels Service.

4. Performance of Operations

4.1. Upon the entry into the Contract the Bank shall grant the Customer a Code Card and/or a Digipass, the receipt of which the Customer shall endorse by signing the Contract and which shall be used in consuming both the Telephone Service and the Internet Service. The Customer shall be able to use the Communications Channels Service with the aforementioned Code Card and/or Digipass at least on the second banking day that follows the date of signing the instrument of delivery and receipt of Digipass by both parties.

4.2. Upon the entry into the Contract the Bank shall record in the computer system the Username determined by the Customer, which shall be used in consuming both the Telephone Service and the Internet Service and the Password for using the Internet Service.

4.3. The Customer shall accept that the Bank will record some or all telephone calls made in the course of provision of the Communications Channels Service and/or the activity of the Customer in using the Internet Service and the Bank will use such information to prove the Operations performed by the Customer to the Customer or to third persons, as appropriate.

4.4. The Customer shall in the (securities)settlement contract determine the settlement and/or securities accounts at

the Bank, which will be connected with the Telephone Service and/or the Internet Service.

4.5. The Customer shall consume the Communications Channels Service in good faith, reasonably and in compliance with due diligence and taking into account usages and practices with the purpose thereof and shall not use the Communications Channels Service for any illegal activities or in any other manner that might cause damage to the Bank or to any third persons.

4.6. In the performance of Operations via the Communication Channels Service the Bank shall guide itself by the general rules of settlement applicable at the Bank as well as other applicable terms of performing Operations.

4.7. In order to provide information and performing Operations via the Telephone Service, the Customer shall call the Bank's Representative, using telephone number(s) determined by the Bank, about what the Customer shall get detailed information from the Bank's office or from the contacts indicated in the Bank's webpage and shall act according to the instruction(s) of the Bank's representative.

4.8. In order to provide information and performing Operations via the Internet Service, the Customer shall enter via Internet and using a computer to the Bank's server at the address determined by the Bank and shall act according to the instruction(s) and established order.

4.9. For the purpose of security, the Bank is entitled to verify any Operation(s) (incl. by telephone) before the performance thereof at its own discretion.

4.10. The Bank shall execute an Operation provided via the Telephone Service immediately after the Customer has read out the data of the Operation and provided that the Customer has not disputed these data immediately.

4.11. The Bank shall not be required to execute an order for an Operation of the Customer if:

- the Settlement Account of the Customer is frozen or seized;
- there are no sufficient funds in the Customer's Settlement Account, which are necessary for performing the Operation

provided by the Customer and/or paying for them;

- in the data and/or orders for performing the Operation submitted to the Bank shall contain obvious deficiencies and errors;
- the order to perform the Operation is in conflict with the Contract, the General Terms and Conditions of the Bank, the principles of sound banking management or the legislation of the Republic of Estonia;
- the Bank's Representative has reasons to doubt the correctness of the order provided to the Bank.
- in submitting the order, there has not used language acceptable for the Bank (Estonian, English, Russian);
- the Customer fails to confirm the content of the Operation at the request of the representative of the Bank;
- the representative of the Bank shall consider the confirmation submitted by the Customer to be insufficient;
- the representative of the Bank cannot contact with the Customer for additional control over the content of the Operation;
- the Customer shall not submit additional documents and data at the request of the representative of the Bank.

4.12. The Bank is entitled to demand at its own discretion and manner that the Customer provide the Bank with additional documents and data that substantiate the legal origin of the funds or other property being the object of the Operation to be performed by the Customer, and/or to demand re-confirmation of the Operation after the order for performing the Operation has received via the Communications Channels Service and/or performing the Operation.

4.13. The Bank is entitled to carry out any and all orders provided by the Customer via the Communications Channels Service also after the Customer has notified the Bank of the cancellation of the Contract and if the order of the Customer to perform an Operation was provided before the receipt of the notice of cancellation by the Bank or the terms of advance notices for the cancellation of the Contract has not been followed.

4.14. The Bank shall be entitled not to accept orders and perform Operations,

which are in excess of the limits of Operations established by the Customer.

4.15. To use the Communication Channels Services through the representative, the owner of the Settlement Account shall appoint a representative and the extent of representation in accordance with the following profiles:

4.15.1. Administrator – owner of a Settlement Account or representative of the owner of the Settlement Account, who has a right to use and dispose the Settlement Account incl. a right to add and administer other persons with the rights of User or Information via the Internet Service;

4.15.2. User – has a right to perform all Operations within daily and monthly limits established by the owner of the Settlement Account and shall not have rights to delegate the authority;

4.15.3. Information – the right to examine the Operations made in the Settlement Account and shall not have rights to delegate the authority;

4.16. The Bank shall be entitled to debit the Settlement Account with service fees and other fees indicated in the Price List for performing the Operations.

4.17. The Customer shall be entitled to guarantee sufficient funds in the Settlement Account for executing the orders and paying for the service fees pursuant to the Price List.

4.18. The Customer shall get information on the state of the Operations from the Bank's office or via Communication Channels Service.

5. Limits of Operations

5.1. The Bank is entitled to establish and/or change unilaterally limits on Operations (daily and monthly limits).

5.2. The owner of the Settlement Account is entitled to demand that the limits be established and/or amended at his or her own discretion under the conditions and pursuant to the procedure provided by the Bank.

5.3. For a Customer, who is not an owner of the Settlement Account, shall be established limits by the owner of the Settlement Account. The limits shall be determined in a Power of Attorney or in another document serving as the authorization.

6. Identification of the Customer

6.1. In order to perform Operations via the Communications Channels, the Bank shall identify the Customer in accordance with the instruction(s) of the representative of the Bank based on information delivered by the Customer as follows:

6.1.1. Upon the consumption of the Telephone Service: on the basis of the Username and the security code(s) indicated on the Code Card or generated by the Digipass;

6.1.2. Upon the consumption of the Internet Service: on the basis of the Username, the Password and the security code(s) indicated on the Code Card or generated by the Digipass.

6.1.3. In the cases and the conditions determined by the Bank, the Bank shall accept the identification of the Customer, performing the Operations and a digital signature by means of a certificate protected with PIN-code and enabling digital identification, which corresponds with the requirements of the Bank.

6.2. Subject to the agreement of the Parties to the Contract, the Bank may also identify the Customer in another way.

6.3. The use of the Security Features provided to the Customer shall be equal to the signature of the Customer given in writing.

6.4. In the event a third person provides to the Bank the Customers' Password and/or Username and/or security codes indicated on the Code Card and/or code(s) generated by the Digipass and the Customer has failed to give to the Bank the notice set forth in section 7.2 of the Contract, the Bank shall treat the instructions provided by such a person as instructions provided by the Customer and the Bank shall not be liable for any dissemination of information and/or any other consequences or for any direct and/or indirect damage caused thereby to the Customer and/or to any third persons.

7. Safeguarding the Security Features

7.1. The Customer shall keep the Security Features in secret, not disclose his or her Security Features to any third persons and safeguard the Security Features with reasonable diligence separately each other, in a manner and form unknown to the third parties.

7.2. The Customer shall immediately notify the Bank of any theft or loss, unauthorized or wrong use of the Password and/or the Username and/or the Code Card and/or the Digipass or use of them against the will of the Customer, if the Customer has reasons to believe that any third person(s) has (have) taken the possession of all or any of the Customer's Security Features or there is a danger that they will become known or have become known to the third parties. Information regarding the certificate has to be sent first to certification services provider by the Customer and then to inform the Bank about it.

7.3. The Customer is entitled and obliged to give a notice set out in section 7.2 above to the Bank round-the-clock by the contacts indicated in the Bank's website or via Communication Channel Service or in the Bank office during official operating hours of the Bank.

7.4. In the event the Customer has demanded that the Bank terminates and/or prevents the use of the Password and/or the Username and/or the Code Card and/or the Digipass, the Customer is obliged to contact directly the Bank and submit the order to renew the Password and/or the Username and/or to receive a new Code Card and/or the Digipass to continue to use the Communication Channels Service.

7.5. In the event the Customer has given the Bank the notice set forth in section 7.2 of the Contract, the Bank shall be obliged to use all reasonable and possible efforts to prevent the Communications Channels Service from being used by persons who are not authorized to use it.

7.6. The Customer shall be obliged not record, in any easily recognizable form, the Password and/or the Username on any payment instrument or on any other item carried along with the Code Card and/or the Digipass.

7.7. The Bank is entitled to refuse to perform an Operation and/or block the Customer's access to the Internet Service if the Security Features have been used incorrectly (e.g. when the Customer has entered an incorrect Password and/or Username and/or a code indicated on the Code Card 3 consecutive times or a code generated by the Digipass 5 consecutive

tiems) or if the Bank has doubts for any other reasons about the identity of the Customer and/or the purposeful use and/or the entitled use.

7.8. The Bank shall inform the Customer immediately about the circumstances mentioned in section 7.7. and the reasons related to that. The Bank shall not inform the Customer about the mentioned cases if it is related to safety reasons or in cases the informing is forbidden by the law.

7.9. The Bank is entitled to demand that the Customer change the Username and the Password and/or replace the Code Card and/or the Digipass.

7.10. The Bank shall give a guarantee to the issued Digipass up to six (6) months from the moment the instrument of delivery and receipt of the Digipass is signed between the Bank and the Customer. The guarantee gives the Customer a right to demand the issue of new Digipass in working order and to apply for it, the Customer has to contact the Bank's office in person. As an addition to the rights arising from the guarantee, the Customer shall have other rights pursuant to the valid legislation. Guarantee does not cover deficiencies, which are caused by the Customer as a result of deliberate violation.

8. Liability of the parties and dispute resolution

8.1. The Customer shall be liable for any and all damage caused by the use of the Communications Channels Service and/or unauthorized use of Security Features and/or wrongful use until the moment that the Customer notifies the Bank pursuant to sections 7.2 and 7.3 hereof but not more than to the amount of the limitation of the Customer's own liability.

8.2. Until the Customer has not informed the Bank pursuant to the procedure specified in the sections 7.2. and 7.3., the limitation of the Customer's own liability per day shall in the case of an account owner being a consumer be equal to the daily limit provided by the Contract, but not more than maximum limit of liability prescribed by law which is an amount equivalent to one hundred fifty (150) euros.

8.3. Until the Customer has not informed the Bank pursuant to the procedure

specified in the sections 7.2. and 7.3., the limitation of personal liability per day shall in the case of an account owner who is not a person specified in section 8.2 be equal to the daily limit provided by the Contract. In the event no daily limit has been established, the limit of liability per day shall be that prescribed by legislation.

8.4. The limitation of liability shall not be applied if damage has been caused by the intention or gross negligence on the part of the Customer or if the case concerns an act of fraud on the part of the Customer.

8.5. The Bank shall not be liable for execution and for failure in execution of the wrongful order submitted and not withdrawn by the Customer in time if not prescribed otherwise by the law as well as any direct or indirect damage(s) arising from a failure(s) or non-functioning of the Communications Channels Service if the failure(s) or non-functioning was due to reasons not attributable to the Bank such as failures in power supply, failures of communications lines, natural disasters and other circumstances which result in similar consequences and which substantially hinder the activity of the Bank.

8.6. The Customer shall be liable to the Bank for any loss caused by intentional damage(s) to the systems of the Communications Channels Service on the part of the Customer.

8.7. The Customer is entitled to dispute any Operations performed, pursuant to the General Terms and Conditions of the Bank and the legislation.

8.8. The Customer is obliged to inform the Bank immediately about unauthorized and/or incorrect order, Operation after becoming aware of it, but not later than within thirteen (13) months after the Settlement Account or the payment was debited.

8.9. The Bank is liable for

- failure of execution or deficient execution of the order submitted in correct form and according to the requirements via Communication Channels Service;
- for performing Operations via Communication Channels Service without real intention of the Customer, except cases the Customer has failed to keep Security Features according to

requirements and/or violates the obligation to inform certification services provider.

8.10. In the case(s) mentioned in the section 8.9, the Bank is obliged to compensate the Customer the amount of the order not performed or performed inadequately. In case the Operation is performed without the Customer's real intention, the Bank shall be obliged to restore the situation prior to the Operation in the Settlement Account.

8.11. Bases of liability and limitations prescribed in Section 8 shall not preclude or restrict to submit claims on other bases, incl. claim to compensate damage.

9. Amendments to the Contract

9.1. The Bank is entitled to amend the terms and conditions of the Contract unilaterally at its own discretion, incl. limits of the Operations giving the Customer at least two (2) month's advance notice thereof via the Communications Channels or in any other manner determined by the Bank.

9.2. The Bank is entitled to amend the Bank's Price List unilaterally at its own discretion, giving the Customer at least fifteen (15) days' advance notice thereof via the Communications Channels or in any other manner determined by the Bank.

9.3. In the event the Customer does not consent to the amendments to the Contract and/or the Price List, the Customer is entitled to cancel the Contract immediately within the terms specified in Section 9.1. and 9.2. If the Customer does not cancel the Contract within the said term, it shall be deemed that the amendments have taken effect in respect of the Customer as from the day of introduction of the amendments.

9.4. The part of the terms and conditions of the Contract, which stipulates the features of the Code Card and/or the Digipass and the limits, may be amended only by a written agreement between the parties. Such an agreement shall be appended to the Contract and signed by both parties to the Contract

10. Validity and cancellation of the Contract

10.1. The Contract shall take effect as of the moment of signing by the parties unless otherwise agreed in the Contract.

10.2. In the event the Customer is a representative of a legal or natural person, the entry into force of the Contract is subject to an agreement between the owner of the Settlement Account and the Bank in accordance with the Section 4.15 of the Contract in which the Customer's profile and extent of representation is determined. Such an agreement shall be appended to the settlement (securities) contract.

10.3. The Contract is entered into for an unspecified term.

10.4. The Customer is entitled to unilaterally cancel the Contract at any time, giving at least 30 (thirty) days' advance notice thereof to the Bank.

10.5. The Bank is entitled to unilaterally cancel the Contract at any time, giving at least 2 (two) months' advance notice thereof to the Customer.

10.6. In the event a party fails to perform the terms and conditions of the Contract, the other party is entitled to cancel the Contract with a good reason immediately without an advance notice thereof.

10.7. Termination of the Contract shall not affect the recovery or satisfaction of any claims that have become due and payable before the termination of the Contract.

11. Confidentiality

11.1. The Parties undertake to not disclose information relating to the entry into and performance of the Contract to any third persons, except if this proves to be necessary upon circumstances relating to processing the Operations and except when this is required in the cases prescribed by legislation.

11.2. The Customer shall grant the Bank the right to deliver information relating to the Contract to persons or organizations who act as intermediaries in transacting the Operations, to payment intermediaries and to insurance companies.

By signing the Contract, the Customer acknowledges that it has been thoroughly advised about the conditions of using the Communications Channels Service and about the rights, obligations and liability arising from the Contract, and the Customer understands such conditions and they comply with the intention of the Customer.