

## Agreement on Opening and Servicing of Precious Metal Account No \_\_\_\_\_

Riga \_\_\_\_\_ 201\_\_

### PART I

**1. Bank: JSC "TRASTA KOMERCBANKA"**

registered with the Register of Enterprises of the Republic of Latvia, unified registration No 40003029667, legal address: 9 Miesnieku Street, Riga, LV 1050, Latvia, represented by \_\_\_\_\_, acting pursuant to \_\_\_\_\_

**2. Customer:**  Resident  Non-resident

Registration data (certificate No, issued by)

\_\_\_/\_\_\_/\_\_\_/\_\_\_/\_\_\_/\_\_\_/\_\_\_/\_\_\_/\_\_\_/\_\_\_/\_\_\_/\_\_\_/\_\_\_/

Legal address: \_\_\_\_\_

Customer's representative:

\_\_\_\_\_ personal ID number \_\_\_/\_\_\_/\_\_\_/\_\_\_/\_\_\_/\_\_\_/\_\_\_/\_\_\_/\_\_\_/

Current account No LV \_\_\_/\_\_\_/ KBRB \_\_\_/\_\_\_/\_\_\_/ \_\_\_/\_\_\_/\_\_\_/ \_\_\_/\_\_\_/\_\_\_/ \_\_\_/

**3. Under Customer's instructions, the Bank opens a precious metal account for non-cash transactions No**

\_\_\_/\_\_\_/\_\_\_/\_\_\_/\_\_\_/\_\_\_/\_\_\_/\_\_\_/\_\_\_/\_\_\_/\_\_\_/

**4. Communication means to be used for submission of orders:**

- fax  Trast.Net  
 Telephone bank\*  other\* \_\_\_\_\_

\* if one of the above options is chosen as communication means, the password to be used in Customer's orders shall be \_\_\_\_\_.

**5. Communication means to be used for provision of information to Customer:**

\_\_\_\_\_ telephone fax  
 \_\_\_\_\_ e-mail, mailing address and other communication means

**6. Additional information:** \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

By his/her signature on this Agreement the Customer certifies that he has read the conditions of Part I and Part II of this Agreement and *General Transaction and Account Service Regulations* of the Bank, understands them completely and undertakes to comply with them.

<i>Bank</i>	<i>Customer</i>
_____ Stamp	_____ Stamp

## **PART II**

### **Definition of Terms**

Precious Metal Account (hereinafter "Account") - an account that the Bank opens for registration of the value of precious metals in Trojan ounces, without specifying individual characteristics.

Precious Metals - gold, silver, platinum, palladium.

Transaction with precious metals (transaction, operation) - a transaction where objects are precious metals - purchase, sale, pledging, transfer, etc.

Order - expression of Customer's will (order, instruction, etc.) which serves as a basis for execution of a transaction with precious metals.

Precious metal transfer order, purchase/sale order - a template form developed by the Bank (Appendix No 1) according to which the Bank transfers, buys or sells Precious Metals.

Agreement - an agreement on opening and servicing a precious metal account, and all appendices thereto.

### **1. General Provisions**

1.1. These Provisions (Part II) form an integral part of the Agreement. The signatures of the Parties certify that the Parties have read the Agreement, understand covenants thereof and agree to them as if they have drawn up the text of the Agreement themselves.

1.2. This Agreement is drawn up in two identical copies in the Latvian language on 6 pages, one copy for each Party; both copies have the same legal effect.

1.3. If numbers contained in the Agreement spelt out in words differ from those represented in digits, the spelt out in words shall be deemed determinative.

1.4. All the Appendices and amendments to the Agreement form an integral part thereof.

### **2. Subject of Agreement**

The Bank shall open and service Customer's precious metal account and execute transactions with Precious Metals per Customer's orders in accordance with this Agreement.

### **3. Rights and Obligations of the Parties**

3.1. The Bank shall open and execute transactions in the Customer's Account based on Customer's Orders, provided that the Customer has submitted to the Bank documents that are listed in the *General Transaction and Account Servicing Regulations* and the Customer's questionnaire (for the Precious Metal Account).

3.2. The Bank shall execute transactions with Precious Metals in its own name and at Customer's expense.

3.3. The Bank shall execute transactions in the Account in accordance with applicable legal provisions, terms and conditions of this Agreement and accepted practice of transactions with Precious Metals.

3.4. Customer shall undertake to comply with the terms and conditions of this Agreement.

3.5. Customer shall undertake to pay to the Bank for the services rendered in accordance with these Provisions and Bank's tariffs indicated in the Consolidated Services Price List.

3.6. The Customer hereby assumes full responsibility for any activities of the Bank, its correspondents and brokers, if the purpose of such activities is execution of Customer's Order.

3.7. The Customer hereby undertakes to cover any Bank's expenses and losses that the Bank may incur while executing Customer's Orders.

### **4. General Provisions of Precious Metal Account Management**

4.1. The Bank shall execute the following transactions in the Account:

- a) Opening of the Account;
- b) Registration of Precious Metals in the Account;
- c) Transfer of Precious Metals to another Precious Metal Account;
- d) Sale of Precious Metals;
- e) Purchase of Precious Metals;
- f) Issuance of loans for which Precious Metals serve as security;
- g) Closing of the Account.

4.1.2. Issuance of a loan (sub-Clause f) of Clause 4.1.2) shall be provided on the grounds of a signed loan agreement. Transactions specified in sub-Clauses c), d) and e) of Clause 4.1.2 of Part II of this Agreement shall be executed on the grounds of a Customer's Order which is filled out in accordance with the form contained in Appendix No 1. Orders shall be submitted in three copies.

4.1.3. Special conditions for execution of transactions mentioned in sub-Clauses d) and e) of Clause 4.1.2:

\* Customer shall give an Order to the Bank indicating a transaction rate;

\* upon receipt of the Order, Bank's dealers shall check if the rate indicated by Customer can be used;

\* if a Bank's dealer accepts the rate, the Bank shall execute the Customer's Order; if acceptance is not received, the Order shall be returned to the Customer without execution thereof.

4.2. Transactions in the Account shall be executed not later than within one business day following the receipt of the Order. Repayment of a certain loan that is secured with Precious Metals shall be provided within the term specified in a respective agreement.

4.3. The Customer shall submit to the Bank accurate, clear and unambiguous Orders in regard to servicing of the Precious Metals Account and execution of transactions in accordance with the form contained in the appendix to this Agreement.

4.4. The Customer may submit Orders in regard to execution of transactions either in person or according to the procedure set out in Clause 4 of Part I of this Agreement.

4.5. The Bank shall have the right to refuse to accept a Customer's Order if it is incomplete, unclear or drawn up incorrectly.

4.6. The Customer shall not object that the Bank will record, without notifying in advance, Parties' telephone conversations. The Parties have agreed that these recordings of telephone conversations shall be equivalent to Orders given in writing, and that they may serve as evidence in the event of disputes or disagreements, including settlement of such disputes in the court or court of arbitration.

4.7. The Bank shall send reports to the Customer about performed transactions in the form and within the timeline determined by the Customer.

4.8. The Bank shall have the right not to perform transactions in the Account if:

a) the balance of Precious Metals in the Account is smaller than the amount indicated in the Customer's Order (on transfer or sale);

b) Customer has not secured in a timely fashion funds in his current account that would be sufficient for execution of a Precious Metals Purchase Order and payment of the Bank's commission for servicing the Account or has not reimbursed the Bank for the expenses incurred in the course of execution of transactions in the Account;

c) execution of the Customer's Order is in conflict with legislation of the country where the Bank is a resident, or in conflict with this Agreement.

4.9. The Bank shall have the right to unilaterally withdraw from execution of a transaction if, in the Bank's opinion, execution of such transaction is in conflict or would be in conflict with normative regulations of the Republic of Latvia or Bank's internal policies.

## **5. Settlements of the Parties**

5.1. The Customer hereby gives permission to the Bank to debit the Customer's current account, without any notification of the Customer and without coordinating it with the Customer, for the Bank's commission and other sums that are due to satisfy Bank's claims arising from the Agreement, as well as taxes and other mandatory payments that are payable in accordance with applicable legal provisions.

5.2. In the event that the Customer's current account does not have sufficient funds for satisfaction of Bank's claims and for other payments specified in Clause 5.1 of Part II of this Agreement, Customer hereby authorizes the Bank, without separate notification of the Customer or coordination it with the Customer, to sell at a free price Precious Metals from the Customer's Accounts in the amount that is necessary for settlement of Bank's claims to the Customer.

5.3. If Customer has not fully or partially paid the Bank's commission or other payments under this Agreement, he shall pay to the Bank a penalty of 0.2% (zero point two per cent) on any overdue amount for each day past due. Payment of the penalty shall not release the Customer from the responsibility to fulfill his obligations.

## **6. Bank's Remuneration**

6.1. Customer shall pay a commission for the services rendered by the Bank in accordance with the tariffs of the Consolidated Services Price List (hereinafter - "Price List") that are valid at the time of rendering the service.

6.2. The Bank shall have the right to change the Price List unilaterally. If within ten (10) days after the day when changes to the Price List have taken effect the Customer has not notified the Bank in writing that he disagrees with new tariffs for the Bank's commission and the Parties have not agreed on other tariffs, it shall be deemed that the Customer has agreed to the new tariffs by default, which creates an obligation for the Customer to abide by them.

6.3. Changes to the Price List shall take effect on the day when they are posted in the Banks' website (address: [www.tkb.lv](http://www.tkb.lv)).

## **7. Liability of the Parties**

7.1. When providing consultations, offers, information, etc., the Bank shall not be liable for any possible Customer's losses caused by said consultations, offers, information, etc.

- 7.2. The Bank shall not be liable for consequences that may occur to Customer if the Bank has not executed Customer's Orders in the situations specified in Clauses 4.5, 4.8 and 4.9 of Part II of this Agreement.
- 7.3. Bank's liability in regard to servicing of the Account and transactions executed shall be limited to verification of visual similarity of the signatures and stamp (if any) on the Order to those appearing in the Agreement or on the list of authorized representatives.
- 7.4. Customer hereby undertakes to compensate the Bank for any expenses, losses, penalties and any other kinds of payments which are payable by the Bank and which are related to the Bank's activities aimed at the execution of Customer's Orders.
- 7.5. Each Party shall be liable for payment of all the taxes and other mandatory payments required by applicable legal provisions.

## 8. Disputes and Legal Proceedings

- 8.1. Legal relations of the Parties shall be regulated by a signed transaction document, by legal provisions of the Republic of Latvia, and the *General Transaction and Account Servicing Regulations* of the Bank that are available in the Bank's premises during business hours and on the Bank's Internet page at [www.tkb.lv](http://www.tkb.lv), as long as they do not contradict to the aforementioned legal provisions.
- 8.2. The Parties shall try to settle by negotiations any dispute, controversy or claim arising from or relating to this Agreement, its amendments, breaching, termination, invalidity or construction (interpretation) thereof.
- 8.3. If the Parties fail to achieve consent through negotiations within 30 days after the day of posting the first claim, a dispute shall be referred to the Court of Arbitration of the Association of Commercial Banks of Latvia in Riga under the Articles and Regulations of the said Court of Arbitration and the Regulations on the Association of Latvian Commercial Banks Court of Arbitration Costs. The subject of dispute referred for settlement shall be any claim or difference of tangible or intangible nature arising from this Agreement including differences of claims for fulfillment of the Agreement, payment of penalty, indemnification against loss or security as well as any other differences and claims referring to this Agreement, modification, breach, termination, lawfulness, validity or interpretation thereof. The language of litigation shall be Latvian; the matter shall be resolved by one arbitrator appointed by Chairman of the Court of Arbitration.
- 8.3.1. If a Customer is considered to be a consumer for the purpose of the Republic of Latvia law, any dispute in connection with this Agreement shall be referred to the Republic of Latvia court according to the location area of the Bank.

## 9. Effect of Agreement and Its Termination

- 9.1. This Agreement takes effect upon its signing and is concluded for an indefinite period of time.
- 9.2. This Agreement may be terminated:
- 9.2.1. upon both Parties' consent;
- 9.2.2. unilaterally: by any Party, upon giving at least thirty (30) day written notice to the other Party (without substantiation);
- 9.2.3. unilaterally: by any Party, upon giving at least five (5) day written notice to the other Party - in case of a breach of the Agreement, and forthwith - in case of a repeated breach of the Agreement (with substantiation);
- 9.2.4. unilaterally: by the Bank, if the Account has not been used for a period of one year;
- 9.2.5. in other cases as prescribed by with normative regulations.
- 9.3. In the event of termination of this Agreement, the Customer shall submit to the Bank written instructions as to further actions to be taken with the Precious Metals in his Account. Provided that a zero balance is reached in the Customer's Account, the Bank shall close the account within three (3) business days, which shall serve as confirmation of the termination of the Agreement.
- 9.4. Any amendments to this Agreement shall be executed in writing and signed by authorized representatives of both Parties.

**Bank**

**Customer**

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