

PRINCIPLES FOR PROCESSING CUSTOMER DATA

Applicable from 2017.07.01 in Latvia and Lithuania

DEFINITIONS

Bank means each of Danske Bank A/S branch separately as follows:

Danske Bank A/S Estonia branch with
the registration number 11488826 and
registered office at Narva mnt 11, 15015 Tallinn, Estonia,
e-mail: info@danskebank.ee,
phone: +372 6800800,
fax: +372 675 2800,
website: www.danskebank.ee or

Danske Bank A/S Latvia branch with
the registration number 40103163202 and
registered office at Cēsu str 31, k-8, Rīga LV-1012, Latvia,
e-mail: info@danskebank.lv,
phone: +371 67 959 599,
fax: + 371 67 959 103,
website: www.danskebank.lv or

Danske Bank A/S Lithuania branch with
the registration code 301694694 and
registered office at Saltoniškių str. 2, LT-08500 Vilnius Lithuania,
e-mail: info@danskebank.lt,
phone: +370 5 215 6666,
fax: +370 5 215 5900,
website: www.danskebank.lt.

Agreement is a Service agreement concluded between the Bank and its Customer, which includes special conditions and covenants established with an agreement between the Parties and the relevant Service Conditions or any other contract or agreement concluded between the Parties.

Banks mean Danske Bank A/S Estonia branch, Danske Bank A/S Latvia branch and Danske Bank A/S Lithuania branch collectively.

Control is any of the following: (i) direct or indirect ownership of more than fifty per cent (50%) of the share capital or other ownership interest in any other person; (ii) the direct or indirect right to exercise more than fifty per cent (50%) of the votes in any other person; (iii) the direct or indirect contractual right to designate more than half of the members of such person's board of directors or similar executive body; (iv) direct or indirect ownership of fifty per cent (50%) or less of the share capital or other ownership interest in any other person, where such minority ownership according to local law is considered controlling interest.

Customer is a natural person or his/her representative who seeks to use or uses financial Service or who is otherwise involved in the use of the Service (e.g. an issuer of collateral).

Customer Data is any information known to the Bank about its Customer (e.g. name, personal identification code, contracts, data about banking transactions).

Danske Bank A/S is a Nordic universal bank with
the registration No. 61126228 and
registered office at Holmens Kanal 2-12, DK-1092 Copenhagen K, Kingdom of Denmark,
data stored with the Danish Business Authority,
e-mail: danskebank@danskebank.dk,
phone: +45 33 44 00 00,
fax: +45 33 44 28 85,
website: www.danskebank.dk.

Danske Bank Group is Danske Bank A/S and the Group Entities, as the case may be.

Danske e-Bank is the Bank's internet-based system, which provides the Customer access to the Account information, payments and other banking transactions.

General Conditions is a document, which stipulates the principles and the procedure for communication and servicing Customers as well as the general terms and conditions upon conducting transactions between the Banks and their Customers.

Group Entity is an entity (including any business unit or branch) Controlling, Controlled by, or under common Control with Danske Bank A/S.

Parties are the Bank and its Customer collectively.

Place of Service is a jurisdiction where the Bank is registered and provides Services to its Customers in the ordinary course of business.

Principles for Processing Customer Data is a current document that constitutes an integral part of the General Conditions and through it of any business relationship between the Parties.

Processing Customer Data is any operation executed in respect to the Customer Data (incl. collection, recording, storing, alteration, making enquiries, use and transmission, etc.).

Service is a financial Service rendered by the Bank to its Customer. **Service Conditions** are the standard conditions of the corresponding Service of the Banks, which are inseparable part of the Agreement.

Third Person is any person who is not a Customer, Danske Bank A/S, a Group Entity nor an employee of such Group Entity or Danske Bank A/S.

1. PROCESSING OF CUSTOMER DATA

1.1 The Bank shall process its Customer Data according to the legal acts of the Place of Service and the Principles for Processing Customer Data.

1.2 The rights and obligations of the Parties upon Processing Customer Data may be governed by an Agreement entered into by the Parties.

1.3 The Bank processes the Customer Data, which is publicly available on the Customer or received from the Group Entity or any of the Third Person who has presented the Customer Data to the Bank pursuant to law applicable to this Third Person.

1.4 The Bank processes the Customer Data within the period of business relationship with the Customer and shall continue the Processing Customer Data in order to meet any obligation stipulated by law of the Place of Service and for settling disputes with the Customer (if any) after expiry or termination of business relationships between the Parties.

1.5 The Bank shall have the right to retain the Customer Data 10 (ten) years from the moment of termination of the business relationships with the Customer, unless otherwise stated by the law of the Place of Service.

1.6 The Bank shall process the Customer Data for legitimate purpose and to the extent that for the Bank is necessary for performance of its obligations under the Agreement, for the protection of the Bank's rights or in order to meet the requirements stipulated by law of Place of Service.

1.7 The list and contact information of the processors who have been authorized by the Bank to process the Customer Data is disclosed on the Bank's website. If the data contained in the previously mentioned list change, the changes will be made into the list within a reasonable time respectively, but not later than within 1 (one) month after the change occurred.

1.8 The Bank may obtain information of the Customer Data from state or private registries with the purpose to update the Customer Data as well as evaluate the credit risk. The Bank is entitled to receive the Customer Data from Third Persons if it is in conformity with regulatory enactments of the Place of Service.

2. CATEGORIES OF CUSTOMER DATA TO BE PROCESSED

2.1. The Bank processes the following Customer Data categories:

2.1.1. the Customer's personal data (e.g. name, personal ID code, date of birth, citizenship, data of the identity document, language of communication);

2.1.2. the Customer's contact data (e.g. phone number, address, e-mail address);

2.1.3. data on the Customer's residency for tax purposes (e.g. country of residence, tax identification number);

2.1.4. data on the Customer's proficiency (the Customer's investment knowledge and experience);

2.1.5. the Customer's financial data (e.g. income, assets, liabilities, family members, previous payment behaviour, including debts, transactions on the Customer's account, other transactions);

2.1.6. data on the activity and origin of funds of the Customer (e.g. data on the employer, transaction parties and business activity);

2.1.7. information received upon performance of an obligation arising from law of the Place of Service (e.g. information arising from inquiries by investigative bodies, tax authorities, bailiffs).

3. PURPOSES AND OBJECTIVES OF PROCESSING CUSTOMER DATA

3.1. The purposes and objectives of the Processing Customer Data are as follows:

- 3.1.1. for legal acts enforcement purposes (e.g. anti-money laundering purposes, a consumer credit contract purposes);
- 3.1.2. to enter into the Agreement and perform the concluded Agreement and to ensure its performance, assessment of the quality of execution of the Agreement, the Customer's solvency and financial risk assessment and debt management, including to:
 - 3.1.2.1. decide whether and on what terms and conditions to provide the Service to the Customer (Processing Customer Data prior to entry into the Agreement);
 - 3.1.2.2. administer the Agreement. For this, the Bank may verify the transactions and operations carried out based on the Agreement, update the data gathered from the Customer, prepare lists of the Customer Data, collect the debts;
 - 3.1.2.3. assess the quality of Services provided to the Customer, including listen to voice recordings and conduct customer surveys;
 - 3.1.2.4. analyse and forecast the Customer's consumption habits in order to make special offers or ensure more suitable Service;
 - 3.1.2.5. manage and mitigate risks and prepare reports;
 - 3.1.2.6. protect its rights if these have been violated or disputed (e.g. to forward the data to a legal advisor of the Bank);
- 3.1.3. for the direct marketing purpose, including to:
 - 3.1.3.1. offer Services and products of the Bank or any other Group Entity;
 - 3.1.3.2. organize marketing campaigns, and offer also services of the Third Person;
- 3.1.4. for the Bank's operational risk and information management, including to:
 - 3.1.4.1. assess the proficiency of the Customer by using the collected personal data and financial information;
 - 3.1.4.2. fulfil the requirements necessary for managing and mitigating risks;
 - 3.1.4.3. organize statistical researches and analyses on the market shares and other financial indicators of customer groups, products and services;
 - 3.1.4.4. fulfil the prudential norms, including capital and liquidity requirements, applicable to the Danske Bank Group;
 - 3.1.4.5. mediate information to the Customer about the valid Agreements concluded with the Bank or with any other Group Entity or with Danske Bank A/S;
 - 3.1.4.6. develop and implement the Danske Bank Group-wide information systems;
- 3.1.5. to ensure security of the Bank and the Bank's Customers assets (video surveillance).

4. PROCESSING CUSTOMER DATA PURSUANT TO LAW

4.1. The Bank processes the Customer Data for the purpose of fulfilling the tasks and exercising the rights stipulated by law of the Place of Service without a consent of the Customer to:

- 4.1.1. a court in the cases and in the procedure prescribed by laws governing the respective court proceedings;
- 4.1.2. a pre-trial investigation authority and prosecutor's office if a criminal proceeding is commenced, including on the basis of a request for legal assistance received from a foreign state pursuant to the procedure provided for in a treaty or for the performance of a duty provided for in the European Union law, for the performance of the cooperation agreement of an international convention or other treaty or the police or other similar competent authority of the Place of Service;
- 4.1.3. a tax and customs authority (in Estonia Maksu- ja Tolliamet; in Latvia Valsts ieņēmumu dienests; in Lithuania (State Tax Inspectorate Under the Ministry of Finance of the Republic of Lithuania)/Valstybinė mokesčių inspekcija prie Lietuvos Respublikos finansų ministerijos and Customs Department Under the Ministry of Finance of the Republic of Lithuania/ Muitinės departamentas prie Lietuvos Respublikos finansų ministerijos) a Customer's name, address, account number, account balance, tax residence, tax identification number, etc. in order to exchange and automatically forward tax related information;
- 4.1.4. Danske Bank A/S that needs the data for the preparation of consolidated reports;
- 4.1.5. a Group Entity or to other credit institutions who needs the Customer Data concerning the history of performance of payment obligations of a Customer for calculation of the capital requirement

for credit risk and implementation of the principle of responsible lending;

- 4.1.6. the Group Entity who needs the Customer Data for the application of the diligence measures provided for in the money laundering and terrorist financing prevention pursuant to law of the Place of Service;
- 4.1.7. any other person or authority stated by law of the Place of Service.

5. PROCESSING OF CUSTOMER DATA IN ORDER TO PERFORM OR ENSURE PERFORMANCE OF AGREEMENT

5.1. The Customer agrees that the Bank may process the Customer Data to perform or ensure the performance of the Agreement, including forwarding the Customer Data to the following Third Persons:

- 5.1.1. a person and organization (such as a payment intermediary, correspondent banks, issuer of e-invoices, international card organization, administrator of ATMs, insurance provider, notary, provider of surety and guarantee, pledgee, operator of trading venue and settlement system, translation, printing, communication, and postal service provider, etc.) involved in the performance of the Agreement;
- 5.1.2. a payment Service provider, including to SWIFT (Society for Worldwide Interbank Financial Telecommunication, www.swift.com), involved in the fulfilment of the bank transaction (payments, securities transactions, etc.), whereas:
 - 5.1.2.1. a payment Service provider, involved in the fulfilment of bank transactions may be located also in a country with inadequate data protection level (i.e. a country, which has not joined the EEA Agreement and which the European Commission has not included in the list of countries with adequate level of data protection); accordingly, the Bank cannot ensure that the Customer Data is processed pursuant to the same requirements as in an EU member state or in another country with adequate level of data protection;
 - 5.1.2.2. a payment Service provider related to the bank transaction or SWIFT may be obliged to disclose the data of the bank transaction and the related Customer Data to the authorized state authority of the respective country of location, in cases as prescribed in the legislation of the country of location, above all for the purposes of enabling administration of taxes and preventing terrorist financing and money laundering;
- 5.1.3. a state registrar (such as the commercial register, population register, credit register, etc.) if it is necessary to verify the accuracy of credit data and documents presented to the Bank and ensure their timeliness or a private payment defaults registrar if the Customer has failed to duly perform any financial obligation to the Bank;
- 5.1.4. a person providing services to the Bank (such as IT service provider, Customer survey provider, legal adviser, etc.);
- 5.1.5. a local or a foreign credit and financial institutions in response to their inquiries, the purpose of which is to collect information on the Customer, in order to assess the Customer's reliability and prevent terrorist financing and money laundering;
- 5.1.6. a new creditor in the case that the right of claim is assigned to the new creditor or to the Third Person who is related to the assumption of the Agreement;
- 5.1.7. any other Group Entity or Danske Bank A/S.

6. PROCESSING CUSTOMER DATA IN DIRECT MARKETING

6.1. The Bank processes the Customer Data upon the Customer's consent in order to:

- 6.1.1. conduct marketing campaigns, offer and advertise to the Customer all Services of the Bank and/or services of the other Group Entities; including the Bank may for that purpose make inquiries from registers and data registries and forward the Customer Data to any other Group Entity;
 - 6.1.2. offer and advertise the products or services of a contractual partner of the Bank.
- 6.2. The Customer may withdraw the consent mentioned in clause 6 of this document, as well as to refuse the advertisements and offers at any time by informing the Bank in writing for that purpose make inquiries from registers hereof.

7. CUSTOMER'S RIGHTS UPON DATA PROCESSING

7.1. The Customer may request information concerning his or her and demand rectification of respective data, if these have changed or are inaccurate for any other reason.

7.2. The Customer may demand from the Bank termination of processing the Customer Data at any time, except if the right and obligation of the Bank to process the Customer Data is foreseen by law of the Place of Service or if this is necessary for the Bank to perform or to ensure the performance of the Agreement.

8. RECORDING OF CUSTOMER DATA

8.1. The Bank shall have the right to record all the orders given by means of communication (e.g. telephone, e-mail, Danske e-Bank), likewise other operations, which the Customer has executed, and use these recordings as appropriate for evidencing and/or reproducing orders or other operations or for other purposes specified in clause 3 of this document (e.g. for the assessment of the Service quality).

8.2. the purposes of protecting the property of the Bank and its Customer, likewise for ensuring physical security of employees of the Bank, visitors and the Customers, the Bank may monitor the territory in its use (e.g. places of Service, work premises, technical premises, locations of automatic teller machines) and its close vicinity by means of surveillance equipment, including monitor persons, things, processes, and the Bank may digitally record the results of such surveillance activities. These Customer Data shall be processed by the Bank exclusively pursuant to the purposes specified in clause 4 of this document.