

ALADDIN RISK SERVICES AGREEMENT

Agreement No. LB-07/2017/

(Procurement LB/2017/37)

This ALADDIN RISK SERVICES AGREEMENT (the "Agreement") is made as of the 23rd day of October, 2017 ("Effective Date") between BlackRock Financial Management, Inc. ("BlackRock") and Latvijas Banka ("Client"). WHEREAS, Client wishes to engage BlackRock to provide risk measurement reporting and analytic services for Client's Market Operations Department; NOW, THEREFORE, the parties agree as follows:

1. Scope and Use of Services. (a) BlackRock will provide Client with certain risk measurement reports as set forth on Schedule A (each, a "Report"; together, the "Reports Package"). Reports will be made available to Client on a website ("Client Site") that will be created and maintained by BlackRock for password-protected access via the internet by certain Client personnel ("Client Users," as defined in Schedule A). The Reports Package will be produced by BlackRock using the same quality control procedures used for its other clients of similar services.

BlackRock will provide the Reports Package to Client on the schedule set forth in Schedule A. The timely production of each Report will depend on the timely receipt of complete Client Data (as defined below).

(b) BlackRock will also provide Client with access to certain risk analytical tools as set forth on Schedule A (the "Analytical Tools").

The "Services" shall consist of provision of the Reports Package and the Analytical Tools.

(c) BlackRock will provide Client with improvements in the Services as and when it makes such improvements generally available to its clients. Client also may request new or additional Reports from BlackRock for an additional fee, as the parties may agree.

(d) Client acknowledges that the creation of the Reports and use of the Analytical Tools will be dependent on portfolio and securities data that Client and/or its agents shall provide in a format specified by BlackRock ("Client Data," as defined in Schedule A). For the avoidance of doubt, BlackRock does not require and does not expect to receive any Client customer personal data in connection with the performance of Services under this Agreement.

(e) Certain Third Party Data are required to use the Services. "Third Party Data" means any data provided by BlackRock directly or obtained from third parties that are not proprietary to BlackRock. Notwithstanding anything to the contrary herein, Client's use of Third Party Data may be subject to additional fees and other terms set by the applicable Third Party Data provider, as described in Schedule C.

(f) Client will provide the hardware, software, and internet connectivity necessary for Client Users to access and use the Services. Current requirements are set forth in Schedule D. All access to and use of the Services will be subject to the limitations set forth in this Agreement (and Schedule A), including limitations on the number and identity of Client Users and limitations applicable to Third Party Data (see Schedule C).

(g) Use of the Services shall be for Client's internal business purposes only. Only Client Users, as specified in Schedule A, shall be permitted to access the Services. Client shall not (i) provide Reports to any third party, except as expressly permitted in this Agreement; (ii) sell, lease, sublicense, copy or provide the Services, or any output from the Services, to any third party, except as expressly permitted in this Agreement, or (iii) reverse engineer or otherwise use the Services in any way to develop, test, enhance, or calibrate, on behalf of itself or for any other party, any models, system or services that are similar to any component(s) of the Services. Notwithstanding the foregoing, in the ordinary course of its business, Client shall be permitted to provide excerpts from the Reports and limited analytical results from the Analytical Tools to its customers and prospective customers, so long as the provision of such materials is not for a fee and is only an incidental component of the service provided by Client to such customers or prospective customers. At BlackRock's request, Client shall provide BlackRock indicative copies of its materials that include such excerpts and/or analytical results and are provided to its customers or prospective customers. In addition, Client shall be permitted to provide output from the Services to its auditors and regulators as required by law, rule, or practice, provided that Client understands and agrees that Client is responsible for (1) independent review and verification of the accuracy, content and underlying assumptions of any data or calculations

derived, extracted or otherwise exported from the Services and determination of the suitability of such output for Client's purposes with a view to supporting Client's regulatory or other supervisory purposes, (2) performance of Client's own internal review and control processes and reconciliation of differences in approach between BlackRock's calculations and Client's own methodology, (3) adoption of such output as Client's own information, without any attribution of such output to BlackRock, and (4) interpretation of and compliance with any of Client's regulatory and supervisory requirements.

2. Representations and Warranties.

(a) By Both Parties. Each party represents and warrants to the other that: (i) the execution, delivery, and performance of this Agreement have been duly authorized; (ii) its performance hereunder shall not conflict with any of its other obligations, whether arising by contract, operation of law, or otherwise; (iii) this Agreement constitutes a valid and binding obligation; and (iv) it is duly organized, validly existing, and in good standing in its jurisdiction of formation.

(b) By Client. Client represents and warrants that (i) Client has all rights necessary to provide the Client Data to BlackRock for the uses set forth herein, (ii) Client will comply with the requirements set forth in Schedule C, and (iii) in its use of the Services, Client will comply with all applicable laws, statutes, and regulations in all material respects.

(c) By BlackRock. BlackRock represents and warrants that (i) BlackRock has all rights necessary to provide the Services contemplated herein, and (ii) in its provision of the Services, BlackRock will comply with all applicable laws, statutes, and regulations in all material respects. The warranty regarding rights to provide Third Party Data and permitted use of Third Party Data in the previous sentence is expressly subject to Client's representation in Section 2(b)(ii) above. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN, ALL OTHER WARRANTIES, EXPRESS AND IMPLIED, ARE EXCLUDED, INCLUDING, BUT NOT LIMITED TO WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT, ACCURACY, ERROR-FREE, COMPLETENESS, SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

3. Risk Considerations. Client understands that risk analyses and tools may rely on certain assumptions and judgments, such as with respect to the relationship among market risk factors and securities and other related financial instruments. Such analyses, models, and methodologies, and related tools, are generally based on observations of past market behavior that may not hold true in the future. Such assumptions may not cover all aspects of, or risks inherent in, Client's portfolios and calculation

scenarios. Furthermore, Client acknowledges that not all securities or other financial instruments in its portfolios may lend themselves to explicit analytically derived risk measures and that BlackRock may not have procedures, methods, or models appropriate for risk analysis of certain types of securities and other related financial instruments. Client understands that the risk analyses and tools are also dependent on the accuracy, validity and integrity of the security master data and pricing data provided by Client (as part of the Client Data), as well as Third Party Data used in the analyses. BlackRock will use its judgment and practices to model the portfolios and provide the analytic tools using the Client Data, Third Party Data, and other available sources. For portfolios for which Client provides the securities and other related financial instruments' indicative data (see Section 1(d), above), BlackRock will depend solely on Client Data for its analyses. As such, BlackRock's risk analyses and calculations performed hereunder are based on information BlackRock deems to be reliable, but BlackRock cannot and does not guarantee their accuracy or completeness. Client acknowledges that significant professional disagreement exists regarding the accuracy and validity of these types of analyses and methodologies, and that there is no assurance that the analyses and methodologies used by BlackRock or provided by BlackRock are or will be appropriate for Client or its portfolios.

Client acknowledges and agrees that (i) BlackRock's sole responsibility in connection with this Agreement is to provide the Services to aid Client's analysis of its portfolios, (ii) BlackRock is not serving as an investment advisor or fiduciary, or making any recommendations or soliciting any action based on the analyses or tools provided by BlackRock hereunder, and (iii) Client will be solely responsible for any judgments as to valuation, hedging, or purchase or sale of its portfolio or any securities and other related financial instruments. Accordingly, BlackRock will not be responsible nor have any liability for any actions or inactions of or conclusions drawn by Client with respect to any matter, whether or not based to any extent on the Services.

4. Fees. Client shall pay BlackRock fees for the Services to be calculated and payable as set forth in Schedule B (the "Fees").

5. Intellectual Property Rights. This Agreement does not transfer or grant any rights in the intellectual property rights of either party, whether held now or arising hereafter, other than the limited rights of Client to use the Services and of BlackRock to use the Client Data expressly set forth in this Agreement. All rights not expressly granted to Client herein are reserved by BlackRock.

6. Confidential Information. (a) All information regarding this Agreement, the parties' business and their subsidiaries and affiliates, Client Data, any documents exchanged between the parties in connection with the Services, as well as all technology, know-how, financial models, model documentation, processes, trade secrets, contracts, proprietary information, historical or projected financial information, organizational or operating data, strategic or management plans, and customer information or lists, whether received before or after the date hereof ("Confidential Information"), shall be kept in confidence by each of the parties hereto and not disclosed to any third party, other than disclosures to third parties in the ordinary course of business (e.g., contractors and data vendors), subject to the requirement that such third parties be bound by confidentiality obligations substantially equivalent to the terms of this Agreement. BlackRock has implemented information barrier procedures that are designed to prevent BlackRock portfolio managers and other non-authorized investment personnel in BlackRock's asset management business from accessing Client's Confidential Information. Notwithstanding the foregoing and use of industry standard security measures, neither party can guarantee to the other the security or integrity of information accessible through the internet against improper or unauthorized access.

(b) The parties' obligations concerning Confidential Information shall survive termination or expiration of this Agreement. These confidentiality obligations shall not apply to information (i) lawfully in the public domain, (ii) lawfully possessed by the recipient before disclosure by the other party, (iii) lawfully disclosed to a party by a third party without obligation of confidentiality, or (iv) independently developed by a party without reference to the other party's Confidential Information. If any disclosure is compelled by a court or other competent authority, the compelled party shall make reasonable efforts to allow the disclosing party to oppose and/or limit such disclosure. Disclosures described in the previous sentence shall not be a violation of this Section 6.

(c) Client may provide to BlackRock suggestions, comments, or other feedback ("Feedback") with respect to the Services. Client agrees that all Feedback is and shall be given entirely voluntarily. BlackRock shall be free to use, disclose, reproduce, license, or otherwise distribute and exploit Feedback provided to it, without obligation or restriction of any kind on account of intellectual property rights or otherwise.

(d) Notwithstanding each party's obligations under this Section 6, each party shall be permitted to retain copies of the Confidential Information of the other party as may be required by law, rule, or order.

Furthermore, neither party shall be required to expunge Confidential Information of the other party that may be contained in archives, tapes or other materials retained pursuant to regular record keeping policies. To the extent that either party retains any Confidential Information of the other party, the obligations of this Section 6 shall continue to apply to such Confidential Information after termination or expiration of this Agreement.

(e) Subject to the exceptions below with respect to BlackRock's commercial secrets, the text of this Agreement including its amendments (if any) shall be published on the website of Client in accordance with Paragraph 10 of Section 60 of the Public Procurement Law, provided that the parties agree that Sections 1(g) and 3 and all Schedules to the Agreement shall be deemed commercial secrets of BlackRock and shall be exempt from the above disclosure requirements and shall not be published on the website of Client. If any of the parts of any amendments to this Agreement is deemed to be a commercial secret of BlackRock at BlackRock's discretion, BlackRock shall notify this to Client and any such parts of any such amendment shall also be exempt from the above disclosure requirements and shall not be published on the website of Client.

7. Limitations on Liability; Indemnity. (a) In no event shall BlackRock be liable for any incidental, consequential, exemplary, special, punitive or indirect damages (including damages for lost profits or business interruption), regardless of whether such damages could have been foreseen or prevented. Except with respect to indemnified claims (as set forth below in subsection (b)(i)), in no case shall BlackRock's total liability, in the aggregate, exceed the fees payable by Client to BlackRock during the three-month period immediately preceding the event giving rise to the liability.

(b) (i) BlackRock shall defend and indemnify Client against all losses, damages, costs, expenses (including reasonable attorney's fees), and claims ("Losses") it incurs or sustains arising out of BlackRock's breach of its obligations under Sections 2(c)(i) and 6; and (ii) Client shall defend and indemnify BlackRock against all Losses arising out of Client's breach of its obligations under Sections 1(e) & (g), 2(b)(i) & (ii), and 6.

(c) The indemnified party shall give prompt written notice to the indemnifying party of any claim for which indemnification under this Section 7 is applicable. The indemnified party shall provide reasonable cooperation to the indemnifying party in its defense of any indemnified claim. The indemnifying party shall have control over the defense of any indemnified claim, except that it may not agree to settle any claim without the indemnified party's written consent if such

settlement imposes any liability or other obligation on the indemnified party. The indemnified party shall take reasonable actions to mitigate any Losses (if applicable) for which it seeks indemnification.

8. Term. (a) The term of this Agreement will begin on the Effective Date and will expire on the 60-month anniversary of the Services Commencement Date (as defined in Schedule A).

(b) Either party shall have the right to terminate this Agreement before its expiration date if the other party commits a material breach of its obligations that remains uncured more than 30 days after a written notice specifying in detail the nature of such breach.

(c) Client shall have the right to terminate this Agreement at any time following the 24 month anniversary of the Services Commencement Date by giving a 30 (thirty) days advance written notice to BlackRock.

9. Applicable Law. (a) This Agreement shall be governed by the laws of the state of New York applicable to contracts made and to be performed therein. The parties agree that all disputes arising under this Agreement shall be resolved in the state or federal courts in New York County, New York. Each party consents to jurisdiction and venue in such courts.

(b) Each party acknowledges that certain breaches by it of its obligations hereunder (such as under Sections 1(g) and 6) may cause irreparable harm to the other party, and that the aggrieved party shall be entitled in any such case to seek injunctive or similar relief without the posting of any bond or security.

10. Assignment. Client may not assign this Agreement without BlackRock's written consent, which shall not be unreasonably withheld. Subject to the foregoing, this Agreement shall be for the benefit of and binding upon the parties, their successors and permitted assigns.

11. Notices. Any notice given hereunder shall be in writing and delivered by hand, first class mail, or courier mail, addressed as follows:

If to Client:

Latvijas Banka
Attn: Daira Brunere
Market Operations Department
2A K. Valdemara Street
Riga, LV-1050
LATVIA

with a copy to:

Latvijas Banka
Attn: Zane Volkopa
Market Operations Department
2A K. Valdemara Street

Riga, LV-1050
LATVIA

If to BlackRock:

Robert L. Goldstein
Senior Managing Director
BlackRock Financial Management, Inc.
55 East 52nd Street
New York, NY 10055
USA

with a copy to:

General Counsel
BlackRock Financial Management, Inc.
40 East 52nd Street
New York, NY 10022
USA

Notices will be deemed given only upon actual receipt.

12. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof. No understanding or modification relating hereto shall be valid unless in writing and signed by both parties.

13. Waiver. Waiver by a party of any provision or any breach of any provision of this Agreement shall not be deemed to be a waiver of such provision in any other instance, or of any other breach of any provision hereof.

14. Force Majeure. Neither party shall be liable to the other for any delay or failure in the performance of this Agreement if caused by an act of God or any factor beyond its reasonable control. In any such event, the time for the party's performance shall be deferred for a period of time equal to the time lost by reason of such event, provided that the delayed party shall notify the other party of such event and shall cooperate with the other party in minimizing any adverse impact of such event.

15. Non-Exclusive Arrangement. Client agrees that BlackRock shall not be restricted from furnishing services similar to the Services, or any other investment management, risk management, risk measurement, or advisory services, to others. Client acknowledges that BlackRock, its affiliates, and any officer, director, stockholder, employee, or any member of their families, may have an interest in securities with respect to which Services are performed under this Agreement. If conflicts of interest arise with respect to BlackRock's duties under this Agreement, BlackRock agrees to perform its duties to Client in good faith and shall deal fairly with Client.

16. Severable. Any term or provision of this Agreement that is or may become invalid or unenforceable in any applicable jurisdiction shall be, as to such jurisdiction, deemed modified so as to

allow enforceability of the parties' original intent, as well as of the remaining terms and provisions of the Agreement.

17. Schedules. References to this Agreement shall be deemed to include any schedules, addenda, and exhibits hereto, taken as a whole with the Agreement.

18. Taxes. Client shall be liable for any taxes imposed in the Republic of Latvia (or any other applicable taxing authorities having jurisdiction over the provision and/or receipt of the Services) and arising out of this Agreement or applicable hereto, including sales, use, VAT, withholding or other taxes, but excluding any taxes based on BlackRock's net income or corporate status. Any fees set forth in this Agreement are exclusive of such taxes and shall be payable by Client without deduction for any applicable taxes for which Client is responsible as described above.

19. Construction. Any conflict between the body of this Agreement and the Schedules or attachments hereto that are expressly referenced herein shall be resolved in favor of such Schedules or attachments. The words "include," "includes" and "including" shall be deemed to be followed by the phrase "without limitation". The headings in this Agreement are for convenience only; they do not form a part of this Agreement and shall not affect its interpretation.

20. Survival. Sections 3, 4, 5, 6, 7, 9, and other provisions that by their terms survive termination, shall survive the expiration or earlier termination of this Agreement.

21. Cooperation. The parties recognize that successful delivery of the Services will require mutual cooperation, communication, feedback, and interaction, including action required hereunder or reasonably requested by the other party to enable it to accomplish its obligations and responsibilities hereunder. Both parties agree to perform the foregoing responsibilities in good faith and in a professional manner that reflects the sophisticated nature of the Services to be provided.

22. Counterparts. This Agreement may be executed in counterparts and by means of scanned electronic copies, each of which shall be an original, but all of which together shall constitute one agreement.

23. No Third Party Beneficiaries. Except as expressly set forth in this Agreement, nothing in this Agreement shall confer upon any person or any entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement, and no person or entity shall be deemed a third party beneficiary under or by reason of this Agreement.

24. Independent Contractor. BlackRock is an independent contractor and is not an agent, fiduciary or employee of Client. BlackRock has no authority to bind Client by contract or otherwise without Client's prior written authorization. The manner of BlackRock's performance of the Services shall be in its sole discretion, subject to the requirement that BlackRock shall at all times comply with applicable law and its obligations hereunder. Client has no right or authority to control the manner or means by which the Services are rendered. BlackRock shall have the right to use affiliates and subcontractors to perform portions of the Services hereunder, provided that BlackRock will notify Client before engaging any third-party subcontractor to perform any material portion of the Services, it being understood that for purposes of this Agreement BlackRock's use of any such subcontractor in support of BlackRock's data control or processing, report production or technology infrastructure shall not be deemed a material portion of the Services. For the avoidance of doubt, Client acknowledges and approves that BlackRock currently utilizes a subcontractor, Oracle Financial Services, in support of quality control and overnight data production services. Any such use of affiliates and subcontractors shall not relieve BlackRock of its obligations hereunder.

25. Client List. BlackRock shall be permitted to include Client on its list of clients in a manner no more prominent than any other client of BlackRock and BlackRock may describe the general nature of its work for Client under this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

LATVIJAS BANKA

BLACKROCK FINANCIAL MANAGEMENT, INC.

By: _____
Name: Mr. Māris Kālis
Title: Chairman of the Board of Latvijas Banka,
acting in accordance with the Law on Latvijas Banka

By: _____
Name:
Title: