

## SECTION II TERMS OF USE OF CARDS (F)

### 1. DEFINITIONS

Reference Exchange Rate	means the exchange rate applicable in calculation of currency conversion is the Card Account currency differs from the currency of Transaction. The exchange rate is set by an International Card Organization on the day of processing the Transaction. The Reference Exchange Rate is notified by the Bank to the Customer or is available from publicly available sources.
Right of withdrawal	means the Customer's statutory right of withdrawal from the Agreement provided for in the Consumer Rights Protection Law.
Bank ATM	means Swedbank AS, reg. No. 40003074764. means an electronic device that accepts Cards for withdrawal and/or depositing of cash, as well as for providing certain services offered by the Bank.
Price List	means the Bank's unified price list for services in force at the time of the Transaction or of receiving any other service from the Bank; the Price List forms an integral part of the Agreement.
Fixed Payment	means a fixed monthly payment, which is debited from the Customer Account on the date due for Payment specified in the Agreement and the amount of which depends on the Credit Limit, on the maturity and on the expected amount of monthly payment obligations.
Annual Percentage Rate (APR)	means the total cost of Credit calculated on the date of the Agreement according to the applicable Cabinet Regulations, which cost is expressed as interest per annum, as a percentage of the Credit Limit on the assumption that: - the Credit will be used immediately and in full; - for Credit Cards with Charge Card Functionality, Credit is repaid within a year by equal monthly instalments; - for Credit Cards with Fixed Payment Functionality, Credit is repaid within a year by Fixed Payments, with the entire outstanding Credit drawdown repaid in the last payment.
Means of Identification	means the means of communication approved by the Bank (e.g. PIN code), including the Customer's own signature, which are used for identifying the Customer or Customer's Transactions.
Card	means an international Payment Card or a Credit Card, collectively and separately, issued by the Bank (also jointly with cooperation partners) and transferred for use to the Cardholder under the Agreement.
Card Account	means the Customer Account (for Payment Cards) or the Card Credit Account (for Credit Cards).
Card Credit Account	means a separate account opened for the Customer, to which the Credit Card is linked, which serves for effecting Transactions with the Credit Card, and in which funds are available up to the Card Credit Limit under the Agreement.
Cardholder	means the Customer or a natural person stated in the Agreement whom the Customer authorizes under the Agreement to use the Card and whose forename, surname and specimen signature are on the Card.
Card Limits	means limitations applicable to Transactions pursuant to the type, amount and time of Transactions.
Customer's Account	means the Customer's current account or private/salary account with the Bank.
Customer	means a natural person who holds a current account or private/salary account with the Bank.
Fee	means any charge stated in the Price List and levied by the Bank for the Bank's services.
Account Statement	means a summary of Transactions in the Card Account.
Total Amount due from Customer	in case of Credit Card, means the amount which is calculated according to the Cabinet Regulations at the time of entering into the Agreement and which contains the Credit amount and all costs (incl. Interest and Fees) payable by the Customer in connection with drawdown of Credit under the Agreement. The total amount is calculated on the basis of the same assumptions as those used in calculation of the APR.
Credit Limit Excess	means a debit balance on Card Credit Account in excess of the Credit Limit made available to the Customer.
Credit Card	means Credit Card with Charge Card Functionality, Credit Card with Revolving Credit Functionality, Credit Card with Fixed Payment Functionality, as well as any other Credit Card that is named differently but has similar functionality (MasterCard or Visa), which is linked to Card Credit Account.
Credit Card with Charge Card Functionality (Gold Charge Card / Charge Card)	means a Credit Card where the Credit spent and the Interest accrued in the current month are payable by the Customer in full in the following month on the date due for Payments as specified in the Agreement.
Credit Card with Revolving Credit Functionality (Gold Revolving Credit Card, Revolving Credit Card)	means a Credit Card where the Credit spent may be repaid by the Customer at any time throughout the duration of the Agreement, while the Interest is payable by the Customer on a monthly basis on the date due for Payments as specified in the Agreement.
Credit Card with Fixed Payment Functionality (Fixed Payment Credit Card, Fixed Payment Card)	means a Credit Card where the Credit spent and the Interest accrued are payable in Fixed Payments.
Credit	means a loan extended by the Bank to the Customer in the Credit Card Account, enabling the Customer to draw on the Bank's funds in Transactions with the Credit Card up to a Credit Limit approved by the Bank.
Parties	means the Bank and the Customer
Agreement	means an agreement by and between the Bank and the Customer that comprises the present Terms of Use of Cards and Section I of the Card Agreement signed by the Customer and the Bank.
Payments	means amounts due and payable on a monthly basis on the date specified in Section I of the Agreement, which amounts are related to using the Credit and depend on the type of Credit Card.
Cabinet Regulations	means the Consumer Lending Regulations (as from time to time amended) issued by the Cabinet of the Republic of Latvia or equivalent regulations issued by the Cabinet to replace the Consumer Lending Regulations
Payment Card	means a debit card (Maestro or Visa Electron) or a classic card (MasterCard or Visa) linked to the Customer Account.
Unauthorized Debit Balance	means a negative balance in the Card Account or an overspent credit limit in the Card Credit Account.
Transaction	means the withdrawal or the depositing of cash; the payment for purchases at Card acceptance locations; money transfers; the undertaking of other commitments by means of the Card as a result of which the Card Account is debited or credited.
Transaction Record Date	means a date on which the value of Transaction is debited from or credited to the Card Account.
Consent	means the Customer's consent to, or authorization of, execution of Transaction using the Means of Identification or otherwise as agreed by the Parties.
PIN Envelope	means a special envelope that contains the PIN of a Card.
PIN	means the personal identification number that is issued by the Bank along with the Card and is used by the Cardholder as the Cardholder's signature (Means Of Identification) for verification of certain Transactions, for receiving the Bank's services available in ATMs, as well as for verification of applications and requests.
Interest	means the charge for drawing on the Credit, payable in accordance with the conditions set forth herein and at the Interest Rate set in Section I of the Agreement.
International Card Organization	means an international company that ensures issuance and acceptance of cards according to unified standards worldwide (e.g. Visa International or MasterCard Worldwide).
Currency Exchange Markup	means the charge collected according to the valid Price List if the Card Account currency differs from the Transaction currency and currency exchange is performed.

### 2. GENERAL TERMS

2.1. The Card is a plastic card featuring magnetic stripe and microchip. The Card may be used for Transactions at locations where the Bank or a third party has made it possible to accept Cards as a means of payment or for the receipt of other services offered by the Bank, but in case of Cards issued jointly with a cooperation partner – also for receiving services from cooperation partners.

2.2. The use of the Card is governed by the Agreement, the present Terms, regulations of the International Card Organizations (depending on the type of the Card), the General Conditions of the Bank, the terms and conditions of the Account Agreement, and legislation of the Republic of Latvia. The Bank may set a different and alter the present functionality for particular types of Cards (for descriptions of Card types, visit the Bank's website: [www.swedbank.lv](http://www.swedbank.lv)). Information concerning functional functionality of Cards issued jointly with a cooperation partner is provided by the respective cooperation partner.

2.3. The Card is the property of the Bank which is transferred for use to the Cardholder.

2.4. Validity term of the Card is shown on the Card. The Card is valid until and including the last day of the year and month shown.

2.5. The Card may be used only by the Cardholder stated in the Agreement. The Cardholder's forename and surname are shown on the Card.

2.6. It is prohibited to use the Card for any unlawful purposes whatsoever, including use of the Card for obtaining any goods or services that are prohibited under the laws of the Republic of Latvia.

2.7. PIN code is confidential and will be disclosed to the Cardholder only. After opening the PIN Envelope, the PIN must be memorized and the PIN Envelope must be disposed of. When using the Card in ATMs or at Card acceptance locations with PIN verification, the PIN serves as a replacement for the Cardholder's signature and shall be treated as a sufficient means of identification of the Cardholder and/or as confirmation of the Transaction. The Bank or a third party, which accepts the Card for payment, may withhold the Card if the PIN is entered incorrectly. The withheld Cards are not returned to the Cardholder and/or the Customer. It is recommended that the Cardholder's signature on the signature panel of the Card on the back of the Card consists of the initial letter of the forename and the full surname of the Cardholder shown on the front side of the Card.

2.8. A Card Transaction will be considered to have been authorized if the Customer or Cardholder has confirmed the Transaction with Means of Identification or has otherwise given their Consent to execution of Transaction. The Cardholder can confirm Transactions by supplying the relevant information (e.g. forename, surname or legal name, card number, card expiry date, CVV2/CVC2 codes (certain figures on the back of the Card) or by performing certain deliberate and consecutive actions (e.g. insertion of Card in a device, ordering certain goods or services) offered at self-service locations.

If a Transaction is confirmed in any way described in this clause, such confirmation will be treated as the Cardholder's Consent, and such a Consent will have the same legal force and effect as a document signed in own hand by the Cardholder and will be considered as sufficient proof in dealing with any possible disputes between the Bank and the Customer. The Customer will not be entitled to challenge Transactions that are based on a Consent given as prescribed in this clause.

2.9. The Customer may instruct the Bank to terminate individual Cards.

2.10. Upon expiry of the validity term of the Card, the Bank may produce a new Card, unless the Customer or the Cardholder has instructed the Bank otherwise within 30 (thirty) days prior to the expiry of validity term of the Card. A renewed Card is issued to the Cardholder at the Bank's branch or sent by mail to the Cardholder if agreed so by the Parties. Unless the Customer has instructed the Bank to change the Bank's branch or mailing address for receipt of the Card within 30 (thirty) days prior to expiry of validity term of the Card, the Bank may send the Card to the Bank's branch or mailing address where the Customer or Cardholder received the previous Card.

2.11. The Bank is entitled to cancel and/or dispose of the Card if:

2.11.1. The Cardholder has not collected the Card within 60 (sixty) days of production date thereof;

2.11.2. a renewed Card has been sent to the Customer by mail by the Customer's request and the Customer has failed to activate it within 30 (thirty) days of expiry of the previous Card;

2.11.3. it is a Card that is replaced by the renewed Card at a branch of the Bank or sent to the Customer by mail and the Customer has activated it.

No Fees paid to the Bank for services are subject to refund and, unless there are any other active Cards under the Agreement, the Agreement will be terminated.

2.12. The Customer is entitled to remotely notify of any changes in the information given in the Agreement regarding Card Limits, Card Account (incl. accounts allowed to be accessed through ATMs), the branch for collecting or the mailing address for receiving the Card, as well as to activate the Card. The Customer's notice will be accepted by the Bank upon successful identification of the Customer only.

2.12.1. The identification shall be performed:

2.12.1.1. by calling the Bank on (+371) 67444444, according to the minimum of two identifiers selected by the Bank (any units of information, or components thereof, indicated in the Agreement, in the form "Registration of Issuance of Card and PIN" signed by the Customer or in other Agreement related documents signed by the Customer);

2.12.1.2. for a customer, who has entered into Remote Banking Services Agreement with the Bank - in accordance with Terms of Remote Banking Services then in force.

2.12.2. The Customer agrees that the Bank is entitled to record telephone conversations, as well as to log, process and register any information or activities performed, and to use such records, the processed or/and registered information for execution of the Customer's applications and/or Transactions, as well as for substantiating and proving thereof.

2.12.3. The Bank may refuse, at its sole discretion, to identify the Customer without explaining the reason of such refusal, as well as to refuse to process an application even upon successful identification.

2.12.4. The Customer agrees that notifications on changes and/or instructions given remotely to the Bank pursuant to the procedure prescribed in this clause will be considered equivalent to written notifications or instructions given by the Customer to the Bank, and the Bank will consider them authentic and as having been accepted in due and adequate form.

2.12.5. The Bank may get in touch with the Customer repeatedly within a 24-hour period using the contact phone number registered with the Bank or other means of communication, and to verify authenticity or accuracy of an application, notification, or instruction. In case no confirmation is obtained or if the Bank is unable to get in touch with the Customer within 24 hours, the Bank has the right not to execute such an instruction.

2.13. The Card may be used for identification of the Customer in the Banks' ATMs for the receiving of services offered by the Bank, for entering into transactions, as well as for the execution and submission of requests and applications.

2.14. The Bank is entitled to issue the Card and the PIN to a person authorized, in form acceptable to the Bank, by the Customer.

2.15. Where agreed so by the Customer and the Bank, the Bank may send, upon the Customer's request, an inactive Card (incl. PIN if so agreed) by post to the Customer. The Customer has a duty to activate the received Card as stipulated in clause 2.12 above within 30 (thirty) days of expiry of the previous Card or to notify the Bank if the Card is not received, if the received Card or its packaging is damaged or if other obstacles arise preventing collection of the Card. In such an event the Bank and the Customer shall agree once more on how to receive the Card. The Customer assumes the risk associated with mailing of the Card if the Parties have agreed that the Card will be mailed.

2.16. Information about the existing Agreement and any changes in the Agreement, as well as about past Transactions (i.e. Account Statement) is available to the Customer free of charge on the Bank's Internet Banking site (under the Remote Banking Services Agreement). To receive additional information (incl. to receive the Account Statement by mail), the Customer shall pay a Fee stated in the Price List. In such an event the Bank shall set a Fee according to the actual cost of the service.

### 3. OBLIGATIONS OF THE CUSTOMER

3.1. The Customer undertakes:

3.1.1. to read, and to cause the Cardholder to read, the Agreement, the General Conditions, and the Price List, as well as to cause the Card to be used in compliance with the present Terms;

3.1.2. to exercise control over the use of the Card Account;

3.1.3. to immediately pay to the Bank the Fees stated in the Price List as well as other charges payable under the Agreement;

3.1.4. not to furnish to the Bank any inaccurate, false and/or misleading information about the Customer and/or the Cardholder;

3.1.5. to promptly notify the Bank of any change in information in the Agreement and other Agreement related documents, including change in the Customer's personal data, contact address, contact phone, means of electronic communication;

3.1.6. to check the Account Statement via Bank's Internet Banking site (under the Remote Banking Services Agreement) or to collect the Account Statement at a branch of the Bank and check it at least once a month;

3.1.7. to promptly notify the Bank of any unauthorized transactions in the Card Account or incorrectly executed Transactions;

3.1.8. to provide the Bank with all documents (i.e. any evidence) necessary for the Bank to carry out investigation in the Transaction contested by the Customer;

3.1.9. not to disclose any information contained in the Agreement or in other documents related to the Agreement, to any third party, unless necessary for performing a Transaction;

3.2. A failure to obtain and/or to inspect the Account Statement will not release the Customer from the duty to duly perform their obligations.

3.3. If a Credit Card is issued to the Customer, the Customer shall ensure that the amount of money necessary for Payments, as well as for any other charges related to the use of Credit and the Card, is

available in the Card Account on the date due for Payments stated in the Agreement, and are kept in the Card Account until full satisfaction of the Bank's outstanding claims.

3.4. The Customer will incur an obligation to promptly order a new Credit Card if the Credit Card is lost, stolen or for any other reason is not in possession of the Customer / Cardholder and has been suspended.

#### 4. OBLIGATIONS OF THE CARDHOLDER

4.1. The obligations of the Cardholder include:

- 4.1.1. upon receipt of the Card, to immediately affix their signature on the signature panel on the back of the Card;
- 4.1.2. to keep the Card in a manner equivalent to the way money, cheques or securities are kept, preventing the Card from becoming available to any third party; to prevent the Card, the Card number or other Card related information from becoming available to other persons, unless expressly required for carrying out a Transaction;
- 4.1.3. to keep the Card away from exposure to high temperatures, the impact of electromagnetic field and mechanical damages;
- 4.1.4. not to disclose the PIN or any other information concerning the Customer, the Agreement or the Card and other related documents;
- 4.1.5. to sign the documents that serve as proof of Transactions, provided that the value specified in such documents corresponds to the actual value. Should the value specified in such document differ from the actual value of the Transaction or the sales draft has not been duly completed, the Cardholder must not sign the document in question;
- 4.1.6. when carrying out a Transaction, to present proof of identity at the Card acceptance location upon request of the Card acceptor, except where the Cardholder is under 15 years of age and no identification document has been issued to them;
- 4.1.7. to notify the Bank immediately to its 24-hour telephone line on (+371) 67444544 about the loss of the Card, theft or another instance of losing hold of the Card, as well as when suspicion arises that a third party may have become aware of the PIN;
- 4.1.8. not to use the Card if instructed not to do so by the Bank;
- 4.1.9. to return the Card to the Bank without undue delay upon request of the Bank;
- 4.1.10. to hand over to the Bank or destroy any Cards that are unfit for Transactions;
- 4.1.11. not to use the Card for Transactions which, separately or combined, exceed the funds available in the Card Account, the set Card Limits or the Credit Limit;
- 4.1.12. to refrain from any actions, which would result in any Card details (number, date of expiry, PIN, etc.) being transformed in electronic form or being, directly or indirectly, dispatched, transmitted, uploaded to or entered into an information transmission system, unless expressly required for carrying out a Transaction.

4.2. The Cardholder may use the Card to carry out Transactions up to the Card Limit or Credit Limit only.

#### 5. CREDIT

5.1. Where the Customer has selected any of the Credit Cards offered by the Bank, then the Bank shall, upon signing the Agreement, make Credit available up to the Credit Limit specified in the Agreement according to the Card type. The Credit shall only be available on the Card Credit Account and exclusively for Transactions with Credit Cards.

5.2. The Credit Limit availability period is one year. The Bank will, 60 (sixty) days prior to the end of the Credit Limit availability period, assess the possibility of extending the Credit Limit availability period to another period, subject to the following:

5.2.1. If the Bank decides to extend the Credit Limit availability period to another period on the current terms, then the Customer shall pay the Bank a Fee for extension of the Credit Limit availability period as per Price List on the first day of the next period. No Fees paid under this clause are refundable to the Customer.

5.2.2. If the Bank decides to extend the Credit Limit availability period to the next period on new terms (incl. new Interest Rate, new Credit Limit), then the Bank shall notify the Customer of such change as stipulated in clause 9.4 below and the Customer shall have the right to withdraw from the Agreement as stipulated in clause 9.5 below. The new terms shall come into force on the first day of the next period. The Customer shall pay the Bank a Fee for extension of the Credit Limit availability period as per Price List on the first day of the next period.

5.2.3. If the Bank decides not to extend the Credit Limit availability period to the next period, then the Bank shall notify the Customer of that decision 60 (sixty) days in advance.

5.2.4. If the Customer does not wish to continue using Credit up to the Credit Limit for the next period, then the Customer shall, 30 (thirty) days prior to the end of the Credit Limit availability period, notify the Bank thereof in writing, otherwise the Fee, if any, paid for extension of the Credit Limit availability period as per Price List will not be refunded.

5.3. Credit spent and outstanding on a Credit Card with Revolving Credit Functionality or on a Credit Card with Fixed Payment Functionality may be repaid, in whole or in part, at any time by transferring funds to the Card Credit Account. Repaid Credit may be used over and over again for the duration of the Agreement (Credit Limit availability period).

Credit spent and outstanding on a Credit Card with Charge Card Functionality may be repaid by transferring funds to the Card Credit Account until the last day of the current month in full or partial repayment of Credit spent that month. Repaid Credit may be used over and over again until the end of the month.

5.4. The Customer shall pay interest to the Bank for drawing on Credit up to the Credit Limit.

5.5. Interest shall be charged for the Credit spent for every calendar day and calculated on the basis of a year of 360 days.

5.6. The Payments, depending on the type of Credit Card, are as follows:

5.6.1. in case of Credit Card with Revolving Credit Functionality, the Customer must ensure that the amount required for payment of Interest is available each calendar month in the Customer Account specified in the Agreement on the day due for Payments stated in the Agreement until full satisfaction of any outstanding claims of the Bank;

5.6.2. in case of Credit Card with Charge Card Functionality, the Customer must ensure that the amount required for payment of Interest along with the amount of Credit spent in the preceding month and outstanding is available in the current month on the Customer Account specified in the Agreement on the day due for Payments stated in the Agreement until full satisfaction of any outstanding claims of the Bank;

5.6.3. in case of Credit Card with Fixed Payment Functionality, the Customer must ensure that the amount required for Fixed Payment is available each calendar month in the Customer Account specified in the Agreement on the day due for Payments stated in the Agreement until full satisfaction of any outstanding claims of the Bank.

5.7. The Customer must repay the Credit Limit Excess, if any, immediately.

5.8. The Bank reserves the right to raise the Interest Rate at its sole discretion at any time by 5 (five) percentage points in the following events:

5.8.1. third party claims are brought against the Customer (or Cardholder) or their assets;

5.8.2. the Customer is in breach with paragraph (2) of clause 5.11 in Section II of the Agreement;

5.8.3. any of the Bank's Group companies or Swedbank AB (recorded in the Swedish Companies Register under No. 502017-7753) or any companies, in which Swedbank AB, directly or indirectly, holds participating interest, has withdrawn from any contract with the Customer and has demanded early performance of obligations by the Customer,

5.8.4. any material circumstances, which formed the basis for approval of the Credit, have changed;

5.8.5. in cases provided for in clause 7.3 of the Card Agreement.

5.9. where the Interest Rate has been raised as stipulated in clause 5.8 of Section II of the Agreement based on the provisions of clause 5.8.1 or 5.8.2, the Customer may request the Bank to reduce the Interest Rate to the rate stated in Section I of the Agreement, but in any event not sooner than after three months of having remedied and not repeated the violations referred to in clause 5.8.1 or 5.8.2 of Section II of the Agreement.

5.10. The Interest Rate altered under clause 5.8 of Section II of the Agreement will come into force one month after the Bank notified the Customer thereof according to clause 9.4 of Section II of the Agreement. If the Customer does not wish to continue using the Credit Card at the altered Interest Rate, the Customer may withdraw from the Agreement according to the provisions of clause 10.6 of Section II of the Agreement.

5.11. (1) The Bank and the Customer may agree to alter the Credit Limit (as well as the repayment procedure, Interest rate, etc.) in writing, on the Bank's Internet banking site, in ATMs installed by the Bank (where such service is provided) or otherwise as the Bank and the Customer may have agreed. The Bank may refuse to alter the Credit Limit.

(2) If the Credit Limit or the Interest rate was set or altered on the basis of the Customer ensuring that their salary, or funds equivalent to their salary, are transferred to the Customer's account with the Bank, then the Customer will have a duty to continue to have their salary, or funds equivalent to their salary, transferred to the Customer's account with the Bank at least once a month.

(3) If the Credit Limit is raised, the Bank shall, by the end of the next business day of the Bank, make the additional funds available on the Card Account at the extent of such increase in the Credit Limit. If the Credit Limit is reduced, the Customer shall have a duty to repay the difference between the former Credit Limit and the new Credit Limit immediately.

5.12. If the Bank decides not to extend the Credit Limit availability period for the Customer or the Customer has refused from further use of Credit, then the Agreement shall be terminated and the Customer shall be obliged to ensure that the necessary amount of funds, as well as any amounts necessary to cover other charges related to the use of the Credit, is available in the Customer Account and is kept in the Customer Account until full satisfaction of the Bank's outstanding claims.

5.13. For some Credit Card types, the Bank may set an interest-free period (period during which no interest is charged for the Customer) for payments (purchases) made by the Customer using the Credit Card. If such interest-free period is set by the Bank, then information about the terms and conditions of the interest-free period shall be included in the Price List according to the Credit Card type and name.

5.14. In issuing Credit Cards to the Customer, the Bank may demand collateral from the Customer for securing performance of the Customer's obligations. In such an event, the information about the collateral will be provided in Section I of the Agreement.

5.15. Where the Customer's obligations are secured by a guarantee, the Customer authorizes the Bank to disclose information related to the Agreement to the guarantor.

5.16. The Customer may, at any time during the Agreement, receive information (in the form of Account Statement or table) about payments due from the Customer for repayment of Credit. Such Information shall be provided on Bank's Internet Banking site (according to the Remote Banking Services Agreement). If the Customer has not entered into the Remote Banking Services Agreement, then the information will be provided to the customer in paper-based format upon the Customer's request.

5.17. Credit may not be used without an active Credit Card and a Credit Card cannot be used without an active Credit Limit, in which case the Agreement will be terminated.

#### 6. SETTLEMENTS

6.1. The amounts of Transactions performed using the Card will be debited by the Bank from the Card Account. The Customer must cause the Card Account to have the amount of money necessary for Transactions in the currency of the Card.

6.2. The Customer authorizes the Bank to debit the Customer Account or Card Credit Account, or any other account held by the Customer with the Bank, if there are not enough funds in the Customer's Account or Card Credit Account, for any amounts that constitute Transactions effected by the Card, for any fees stated in the Price List and the Agreement, as well as for other relevant and fair remuneration set by the Bank for services provided to the Customer that are not covered in the Price List or the Agreement but were necessary to execute the Customer's instruction to the Bank, even if such debiting will result in Credit Limit Excess or Unauthorized Debit Balance.

6.3. Each purchase or Transaction in an ATM with a Card may be reflected in the Card Account twice: reservation of the Transaction value (cancellation of the reservation takes place simultaneously with confirmation of the Transaction) and confirmation of the Transaction.

6.4. The Customer may credit (supplement) the Card Account with any amount at any time. Funds transferred to the Card Account will not bear or pay any interest to the Customer.

6.5. Transactions effected with the Card in other currencies will be converted into the Card currency. The exchange rate is calculated according to the International Card Organizations' Reference Exchange Rate on the day of processing of the Transaction, plus the Bank's Currency Exchange Markup. Information about the exchange rate applied in the Transaction will be supplied to the Customer in the Account Statement. Information about current Reference Exchange Rates is available on the websites of the International Card Organizations (<https://www.mastercard.com/global/currencyconversion/index.html> and [http://www.visaeurope.com/en/cardholders/exchange\\_rates.aspx](http://www.visaeurope.com/en/cardholders/exchange_rates.aspx)).

Changes in exchange rates will come into force immediately after publishing, whereof no express notice will be given to the Customer.

6.6. (1) Should the Customer find any difference between the Transactions carried out or the value thereof and the respective amounts shown in the Account Statement (except for the differences in Transaction value resulting from currency exchange), or any inaccuracies in the fees charged, the Customer shall notify the Bank immediately after becoming aware of any such unauthorized or incorrect Transaction but in any event not later than within 60 (sixty) days thereof.

(2) If the Transaction has been performed in accordance with the Payment Services and Electronic Money Law and the Customer has been unable to comply with the said time limit, the Customer shall notify the Bank of the unauthorized or incorrect Transaction no later than within 13 (thirteen) months after the Account was debited.

(3) The Bank shall repay the funds to the Customer only when the Bank has recovered them in compliance with the standards and regulations of the Bank and/or of International Card Organizations. The Customer shall cover all costs incurred by the Bank through execution of the Customer's orders or investigation of Customer's Transactions (including the cost of producing copies of invoices), except where the difference between the Transactions carried out, or the value thereof, and those presented in an Account Statement (except for the differences in Transaction value resulting from currency exchange) have originated through the fault of the Bank.

6.7. Cash withdrawal from, and other banking operations with, the Card Credit Account are not permitted without using the Card.

6.8. The Bank shall have the right to withhold or reserve funds on Card Accounts for securing satisfaction of its claims.

#### 7. LIABILITY

7.1. The Customer shall be fully liable for compliance with the Agreement and the performance of obligations under the Agreement, as well as the Customer shall be liable for the Cardholder's compliance with the Agreement.

7.2. In case of loss or theft of the Card, the Cardholder shall immediately notify the Bank thereof as stipulated in clause 4.1.7 of Section II of the Agreement. Where necessary, the Cardholder shall provide all information in their possession to the Bank or to the Bank's authorized representative as may be necessary for investigation of the case of loss of the Card. The Bank shall be entitled to demand a copy of the application on the committed criminal offence filed by the Customer or Cardholder with the respective law enforcement authority.

7.3. In the event that the issuance/use of the Card has taken place on the basis of inaccurate, false and/or misleading information furnished by the Customer or the Cardholder, the Customer shall bear full liability for any obligations arising during the period of use of the Card.

The Customer confirms that the Customer is aware of the liability associated with furnishing incomplete or false information, including that furnished for receiving Credit. The Customer has been made aware of the fact that whenever a field of required information is left blank, the relevant information will be considered as absent. Any incomplete or false information furnished constitutes sufficient grounds for the Bank to unilaterally withdraw from the Agreement and demand early performance by the Customer of obligations created by the Agreement, as well as to initiate criminal action against the natural person who furnished the details pursuant to the relevant provision of the Criminal Law of the Republic of Latvia.

7.4. (1) If the Customer denies that they have given Consent to an already executed Transaction or claims that the Transaction has been executed incorrectly, then the Bank shall ensure that appropriate investigation be carried out, checking whether the Transaction was executed under instructions of the Cardholder (incl. checking the use of Means of Identification), as well as whether the Transaction is recorded correctly in the Account and whether any technical or other error has occurred.

(2) If the Bank finds that the Transaction has not been duly authorized and in absence of other obstacles defined in the Agreement, the Bank shall reimburse the Customer for the loss by refunding the amount of the non-authorized Transaction.

(3) If the Customer denies having authorized an already executed Transaction, then the establishing of physical use of the Card for execution of Transaction or the use of Means of Identification shall serve as proof of the Cardholder having authorized the Transaction or the Cardholder having acted unlawfully or having breached one or several duties stipulated in these Terms relating to use and storage of the Card security elements.

(4) Irrespective of whether or not the blame is attributable to the Customer and other facts of the case in question, the Customer shall bear liability for loss in the amount of Latvian lats equivalent of 150 (one hundred fifty) euros if the loss was incurred in connection with unauthorized Transactions if the Customer failed to ensure safe storage of the personalized security elements.

(5) In the event that the Cardholder or the Customer has permitted to occur an unlawful use and/or use at variance with the Agreement of the Card, the Customer shall be fully liable for any obligations created by such use of the Card irrespective of whether or not the Cardholder notified the Bank of loss of theft of Card or unauthorized Transaction.

(6) If the Transaction does not fall within the scope of the Payment Services Law, the Customer shall bear liability for all and any loss incurred as a result of use of the stolen or lost Card.

7.5. The Bank shall be entitled to suspend the operation of the Card in the event the Customer or the Cardholder fails to comply with the provisions of the Agreement, the Card has been stolen, lost, etc. or the Bank suspects Card fraud or potentially fraudulent or other unlawful activities.

7.6. All of the financial means, present and future, in the Client's accounts with the Bank are pledged with the Bank as a financial pledge and serve as a security for all claims that the Bank may have under the Agreement. Should the Customer fail to ensure funds necessary for the payment of charges in the Account, as well as in all other cases when a claim by the Bank against the Customer arises under the Agreement, the Bank may satisfy such a claim by enforcing the financial pledge i.e. the Bank will have the right, without any prior notice to the Customer thereof, to debit (transfer) the payable amount from any of the Customer's accounts with the Bank or from funds otherwise due to the Bank; furthermore, the Bank may convert these funds on behalf of the Customer without any prior notice to the latter at the Bank's exchange rate then in force.

7.7. Should the Customer have failed to meet the Payments required to be made according to the Price List or the Agreement, the Customer shall pay the Bank the Late Penalty fixed in Section I of the Agreement for the amount of overdue Payments for the entire period of delay.

7.8. The Customer shall pay the Excess Penalty stated in Section I of the Agreement for the entire period when the Credit was used unduly i.e. if the Customer:

- has exceeded the Credit Limit;
- is using the Credit after the Card has been suspended;
- uses the Credit after termination of the Agreement.

7.9. The payment of the penalty will not release the Customer from the duty to perform the contractual obligations duly and in full.

7.10. If the Customer falls behind with Payments by more than 30 (thirty) days, then the Bank may charge a Fee as per Price List for the expenses incurred to cause execution of the Payments (incl. Fee for sending reminders to the Customer).

#### **8. SERVICE FEES**

8.1. Fees for services shall be calculated and debited in accordance with the Price List and the Agreement.

8.2. The Card production fee is payable by the Customer at the time the Card is handed out. The Card renewal fee is payable by the Customer in the month the Card is renewed. In the event that the Customer has failed to collect the Card within 60 (sixty) days of ordering the Card, the Bank may charge the Card production fee to the Customer Account or to the Card Account without any prior consent by the Customer. The Card production and renewal fees paid to the Bank are non-refundable if production of the Card has been started according to the Agreement.

8.3. For the use of the Card, the Customer shall pay a monthly maintenance fee or Card annual fee depending on the type of the Card and according to the procedure prescribed by the Bank. The Fee shall be charged as follows:

8.3.1. If the monthly maintenance fee is levied, then the Customer shall pay the Bank for every calendar month when the Card has been in use by the Customer. The Bank may debit that fee from the Customer Account according to this Agreement on the relevant date of each calendar month without any prior approval by the Customer, even if such debiting will result in Credit Limit Excess or Unauthorized Debit Balance.

8.3.2. If the Card annual fee is levied, then it shall be payable by the Customer to the Bank for every consecutive year in advance, and the Bank may debit that fee from the Customer Account in the respective month of every calendar year without any prior approval by the Customer, even if such debiting will result in Credit Limit Excess or Unauthorized Debit Balance.

8.5. Fee for Transactions effected by the Card shall be debited from the Card Account after execution of the Transaction.

#### **9. CHANGES IN TERMS OF AGREEMENT, IN THE PRICE LIST, AND NOTIFICATION PROCEDURE**

9.1. The Bank reserves the right to amend these Terms at its sole discretion, subject to notifying the Customer about the amendments according to clause 9.4 of these Terms.

9.2. The Bank reserves the right to alter the Price List at its sole discretion at any time. It is the Customer's right and obligation to follow changes in the Price List. Information on changes in the Price List shall be available at the Bank's premises during business hours of the Bank, on the website of the Bank [www.swedbank.lv](http://www.swedbank.lv) and on Bank's Internet Banking site (in accordance with the Remote Banking Services Agreement). The information will be communicated to the Customer using the means of communication with the Customer available to the Bank (text messaging, e-mail, etc.) at least 60 (sixty) days prior to the change. The Bank reserves the right to inform the Customer by giving a shorter advance notice about changes in the Price List which are favourable to the Customer.

9.3. In case the Bank receives binding instructions from banking supervision authorities, the Bank reserves the right to alter Card Limits at its sole discretion. Information about the Card Limits altered by the Bank shall be communicated to the Customer on the Bank's Internet banking site (according to the Remote Banking Services Agreement). Where there is no Remote Banking Services Agreement with the Customer, information on changes in Card Limits may be communicated to the Customer to the mailing address given by the Customer or using the Bank's means of communication with the Customer (incl. SMS text messages, e-mail, etc.).

9.4. Information on changes in these Terms, in Card Limits (incl. cancellation thereof) and in interest rates will be notified under this Agreement on the Bank's Internet Banking site (according to the Remote Banking Services Agreement). Where there is no Remote Banking Services Agreement with the Customer, information on the changes shall be delivered to the Customer to the mailing address specified by the Customer or as otherwise agreed between the Bank and the Customer.

9.5. If, within 60 (sixty) days following notification to the Customer about the changes in these Terms, in Card Limits or in Interest Rates, the Customer has not requested the termination of the Agreement in writing, the Customer will be considered to have approved those changes and to have acknowledged them to be binding on the Customer.

#### **10. VALIDITY AND TERMINATION OF THE AGREEMENT**

10.1. The Agreement will come into force when signed by the Customer and approved by the Bank. The Agreement is entered into for an unlimited period of time, and expiry of the Card and the end of Credit Limit availability period shall not *per se* be considered the end of the Agreement, except as stipulated in these Terms.

10.2. Upon expiry of the Card or the end of Credit Limit availability period, the Bank reserves the right not to renew the Card and not continue the Agreement on the former terms if:

10.2.1. the Cardholder has not used the Credit Card for Transactions within the last calendar year and the Payment Card – within last 180 (one hundred eighty) days;

10.2.2. the Customer or the Cardholder has not used the Credit available on the Credit Card within the last calendar year;

10.2.3. the age of the Customer or Cardholder does not meet the criteria set for issuance of the Card in question;

10.2.4. there is Unauthorized Debit Balance in the Customer's Card Account;

10.2.5. if the Customer's Card Account is frozen, payment operations have been halted or funds are debited from the Card Account in the events stipulated in applicable legislation of the Republic of Latvia;

10.3. Each restated version of the Terms of Use of Cards, to which the Customer has consented after signing the Agreement, shall, unless agreed otherwise, replace and supersede the terms of Section II of the Agreement.

10.4. Upon notice of termination of the Agreement by the Bank or by the Customer, the Customer shall have a duty to repay the Bank any Credit spent and non-repaid, Interest, penalties and the Credit Limit Excess, if any, and to pay the Bank any charges related to the Credit, Credit Limit Excess, if any, and to the use of the Card in accordance with the Agreement and Price List.

10.5. The Customer may request termination of the Agreement in writing at any time.

10.6. The Agreement will be terminated when the obligations arising from the Agreement have been duly performed, but no sooner than 30 (thirty) days after requesting termination of the Agreement at the Bank.

10.7. The operation of the Card will be halted upon the Customer's or the Bank's notice of termination of the Agreement.

10.8. The Bank may withdraw from the Agreement unilaterally and halt the operation of the Card, subject to a 60 (sixty) days' prior notice to the Customer thereof.

10.9. The Bank may halt operation of the Card unilaterally without any prior notice to the Customer and/or Cardholder thereof if the Bank has learned about a potential, imminent or existing threat from the Customer, the Cardholder or a third party or about other circumstances, which stand beyond direct or indirect influence or control of the Bank and which may affect the safety, integrity, confidentiality of deposits or services of the Customer, Cardholder and/or other customers of the Bank, or which may cause a loss.

10.10. The Bank may unilaterally halt operation of a Credit Card (cancel the Credit Limit) without any prior notice to the Customer and/or Cardholder if the Customer has any past due debt commitments with any company belonging to the Bank's group of companies.

10.11. The Bank may unilaterally terminate the Agreement if the Card produced according to the Agreement is not received within 60 (sixty) days of production thereof or the operation of the received Card has been halted for more than 60 (sixty) days. In such an event, the Customer shall promptly repay the Bank any Credit spent and outstanding, Interest, penalties and the Credit Limit Excess, if any, and to pay the Bank any charges related to the Credit, Credit Limit Excess, if any, and to the use of the Card in accordance with the Agreement and the Price List.

10.12. The Bank may terminate the Agreement at any time, as well as halt the operation of the Card without any prior notice to the Cardholder thereof in case of default on the obligations under the Agreement by the Cardholder or the Customer.

10.13. The Bank may terminate the Agreement unilaterally in the event that the Bank discontinues the issuance of the particular type of card, subject to a 60 (sixty) days' prior notice to the Customer thereof.

10.14. Withdrawal from or termination of the Agreement will not release the Customer from the duty to perform to their respective duties under the Agreement.

#### **11. Right of withdrawal**

11.1. The Customer has the right to exercise the right of withdrawal and to refuse from Credit on the Credit Card within 14 (fourteen) days of entry into the Agreement without explaining the reason of doing so.

11.2. The Customer is required to notify the Bank about the exercise of the right of withdrawal in writing by filing a relevant application at any branch of the Bank or by sending a relevant message on the Bank's Internet banking site (under the Remote Banking Services Agreement). The notice about exercise of the right of withdrawal must be sent to the Bank before the time limit set forth in clause 11.1 above.

11.3. The Customer will have a duty to repay, without delay and in any event within a maximum of 30 (thirty) days after the notice of exercise of the right of withdrawal to the Bank in accordance with clause 11.2 above, any Credit amount received and outstanding and pay Interest for the entire period of use of Credit.

11.4. The Credit Card issuance fee will not be refunded to the Customer in the event of exercising the right of withdrawal.

11.5. If the Customer fails to comply with provisions of clause 11.2 and/or 11.3 above, then the Customer will be considered to not have exercised the right of withdrawal and the Customer shall continue Payments pursuant to the Agreement.

#### **12. FINAL PROVISIONS**

12.1. The Bank may refuse to issue the Card. In the event of such refusal, the Bank reserves the right not to explain the reasons of refusal.

12.2. The Customer authorises the Bank to verify the accuracy and completeness of any information furnished, as well as the genuineness and validity of the documents submitted, to take any other necessary steps or actions and to request additional information and confirmations from third parties without approving such actions with the Customer and/or the Cardholder. By signing the Agreement, the Customer and the Cardholder agree that, for the purposes of providing banking services, the Bank may process and disclose to third parties any personal data known to the Bank and necessary for the performance of the Agreement and other terms of the Bank and for the provision of services by the Bank.

12.3. The Bank may not be held liable for a refusal by a third party to accept the Card. The Bank may not be held liable for the quality of goods or services purchased with the Card. The Bank may not be held liable for any limits or restrictions imposed by third parties which violate the interests of the Customer or the Cardholder. The Bank shall not be liable for any legal relations with third parties that the Customer has entered into on the basis of transactions or by operation of law (including cases when the basis of such relations is a Transaction). The Bank may not be held liable for any payments, transactions or exchange of information that is performed over the Internet or for any consequences such actions may entail. The Bank may not be held liable for any loss incurred due to malfunctioning of or faults in electronic or other means of communication, or technical devices ensuring Operations with the Card, or due to other technical reasons beyond control of the Bank.

12.4. All disputes or uncertainties related to the Agreement or obligations hereunder shall be resolved by means of negotiation by and between the Parties. The filing of a written complaint to the other Party and the lapse of the term of 30 (thirty) days for investigation of that complaint constitutes a precondition to dealing with the dispute. Any complaint concerning the Customer's or the Cardholder's Transactions must be filed together with proof of such Transaction.

If the Customer files a complaint to the Bank concerning the receipt of a service incompliant with the terms of the Agreement, then the Customer must prepare such complaint in accordance with statutory requirements and the Bank shall, in such an event, give a written reply to the Customer within 10 (ten) days of receiving the complaint, unless agreed otherwise by the Parties.

12.5. The Customer may complain to the Ombudsman of the Association of Commercial Banks of Latvia about performance of the Agreement. The filing of a complaint with the Ombudsman will not be regarded as a necessary condition for the Customer to bring action to court.

12.6. Compliance with the Cabinet Regulations is under supervision of the Consumer Rights Protection Centre located at, Kr.Valdemara iela 157, Riga, LV-1013.

12.7. All disputes shall be resolved in accordance with laws and regulations in force in the Republic of Latvia.

12.8. Insofar as not stipulated otherwise in these Terms, the Parties may not be held liable for any *force majeure* circumstances that the Parties could neither have predicted nor influenced by reasonable means.