

# Credit card

## Terms of agreement for physical entities



### 1. Definitions Used in the Terms and Conditions

**Insurer** – the cooperation partner of the Bank – an insurance joint stock company offering insurance to Card users.

**Calculation period** – the time period from the first day until the last day (inclusively) of each successive calendar month;

**Image code** – a combination of digits assigned by the Bank that is required for identification of the image when producing the Card of Your Style.

**Image rules** – the rules, including the provisions of the regulatory enactments, that must be adhered to when uploading an image and/or developing the image design for the Card of Your Style.

**Bank** – AS SEB banka, registered address: SEB finanšu centrs, Meistaru 1, Valdlauči, Ķekavas pagasts, Ķekavas novads. Unified registration No. 40003151743. The Bank's activity is monitored by the Financial and Capital Market Commission. Bank's website is: [www.seb.lv](http://www.seb.lv). Electronic communication: [info@seb.lv](mailto:info@seb.lv).

**Cash machine (ATM)** – a device for the withdrawal of cash from the Account, depositing of cash into the Account or for payments for certain services by using the Card.

**Price List** – Common Price List of Services approved by the Bank, which defines the commission fee for the Transactions, services rendered by the Bank (including the issue and servicing of cards), as well as the amount of Contractual penalties and Late payment interest.

**Transaction** – the use of the Card to pay for goods or services purchased from Vendors, withdrawing cash from the ATMs of the Bank or the ATMS of other banks, money transfers, conversion, depositing cash into ATMs and other banking operations carried out by the Bank pursuant to the request of the Card user.

**Transaction amount** – the sum in the amount and currency of the Customer's Transaction with a Vendor.

**FDL** – SIA First Data Latvia – Card and Transaction processing centre providing services to the Bank.

**Ibanka** – the Bank's online information and payment system.

**Identification** – the process of identification of the user of the card to determine if the card user is authorised to use the Card data.

**Monthly repayment amount** – a sum determined by the Bank, which is calculated on the Credit limit used, and by which the Customer must supplement the balance of funds in the Account during the Calculation period.

**Card** – a Visa or MasterCard credit card issued by the Bank, which enables Transactions being made by using the respective Card.

**Card replacement** – production of a new Card in the event of loss, theft, mechanical damage or fraudulent action, by assigning a new Card number.

**Card renewal** – production of a new Card following its expiration, by retaining the Card number.

**Card data** – the type of the Card, the Card user information written on the Card, Card number, expiration date and security code on the signature strip.

**Card user** – the Customer or a natural person authorised by the Customer, to whom the Bank issued the Card on the basis of the Application.

**Customer** – an adult person who has concluded a Contract with the Bank according to these Terms and Conditions.

**Account** – a credit card account held by the Customer at the Bank, where the funds for Transactions are kept and from which the Bank deducts Card service commission fees and other Card-related payments.

**Credit limit** – renewable short-term overdraft or loan granted by the Bank to the Customer, which the Customer can use to pay for Transactions.

**Payment for the credit limit used** – Interest on the loan, due from the Customer to the Bank for the use of the Credit limit, the amount of which depends on the Credit limit actually issued and not repaid in accordance with the interest rate specified in the Price List. The Bank shall calculate the Interest on the loan for each calendar day from the date, when the Credit limit was used, and shall deduct it from the Credit card account of the Customer on the last business day of each calendar month. For the purposes of calculation of interest per single day, it is assumed that there are 360 (three hundred and sixty) days in a year. If the Credit limit has been exceeded, the Payment for the credit limit used – Interest on the loan shall be calculated on the use of the financial resources that exceed the Credit limit.

**Contracting parties** – the Bank and the Customer.

**Contract** – a contract between the Bank and the Customer on the issue and use of the Cards. The Contract consists of an Application, Terms and Conditions, Price List and General Business Terms.

**Contractual penalty** – the sum of money that the Customer undertakes to pay to the Bank for the delay in paying the Payment for the credit limit used –

Interest on the loan, Transaction commission payment or the Card fee. The Contractual penalty shall be calculated for each day of delay in making the payments indicated in this article in the amount established by the Price List. The amount of the Contractual penalty shall be determined proportionally to the annual amount of the Contractual penalty provided for by the Price List, assuming that there are 360 days in a year. The payment of Contractual penalty shall not release the Customer from contractual obligations.

**Late payment interest** – the remuneration that the Customer undertakes to pay to the Bank for the delay in the repayment of the used and/or exceeded Credit limit or a of the Credit limit (Monthly repayment amount). The Late payment interest shall be calculated for each day of delay in making the payments indicated in this article in the amount established by the Price List. The amount of the Late payment interest shall be determined proportionally to the annual amount of the late payment interest provided for by the Price List, assuming that there are 360 days in a year. Contractual interest on the use of capital (Payment for the credit limit used – interest on the loan) shall not be applied regarding payments of Credit limit or part of the Credit limit at the time, when late payment interest is calculated.

**Unauthorised Transaction** – Transaction not authorised by the Customer according to Articles 8.3 and 8.4.

**Collateral** – the collateral stated in the Application and accepted by the Bank to secure the Customer's obligations.

**Payment period** – 14 (fourteen) days from the first day of the month, during which the Customer must top up the funds available in the Account by the Monthly repayment amount.

**Payment amount** – the amount of a Transaction in the currency as sent to the Bank by international payment data processing organisations (e.g., Visa/MasterCard). The currency of the Payment amount can be different from that of the Transaction amount. If the currency of the Payment amount differs from the Account currency, the Bank shall convert the currency to the Account currency.

**Terms and Conditions** – these present terms and conditions of Credit Card Contract for natural persons approved by the Bank with all amendments and supplements, which apply to the relations of the Contracting parties.

**Main card** – the Card issued by the Bank to the Customer for the used by such Customer.

**Additional card** – a Card issued by the Bank to natural persons authorised by the Customer for the use by such natural persons, pursuant to the request of the Customer.

**Password** – a combination of letters and/or digits, which the Customer has to indicate in the Application and which is required for identification of the Customer over the phone.

**Notification** – a written notification from the Bank to the Customer on the activation of the Card.

**Supplementary security system** – a secure payment system for online purchases, where the Customer or Additional card user will be asked to enter their Ibanka user code, password and access code in addition to Card number and expiry date.

**Application** – an Application to conclude the Contract, the submission to the Bank of which is regarded as an irrevocable offer by the Customer to conclude the Contract and forms an integral part of the Contract.

**PIN code** – a four-digit figure automatically created by means of special software, which the Customer is entitled to change to another four-digit code chosen by the Customer by performing this action at an ATM. The PIN code in certain Transactions replaces the Customer's signature.

**Reserved amount** – amount of a completed Transaction or Account operation, which has not been debited from the Account due to being in processing stage. The maximum reservation duration of such Transaction or Account operation amounts is 14 (fourteen) calendar days from the date of Transaction or Account operation. If the Transaction date is not a business day, the reservation duration shall be calculated from the next business day.

**Stoplist** – a special list of cards where non-functioning Cards are listed.

**Vendor** – a business that accepts Card for payments for goods and services at their business premises.

**Card of Your Style** – VISA Classic credit card issued by the Bank with surface design chosen and approved by the Customer by using the Image code assigned by the Bank.

### 2. Basic Principles

2.1. The Card is a payment tool used by the Card user to carry out Transactions within the Credit limit. The Customer shall pay the fee stated in

the Price List for the issuing and use of the Card, as well as the use of the Credit limit.

2.2. The issue and the use of the Card at the Bank shall be performed in accordance with the applicable Terms and Conditions approved by the Bank.

2.3. General Business Terms, terms and conditions of the Current account, as well as applicable terms and conditions of other services of the Bank and terms and conditions of international payment cards (VISA, MasterCard) shall apply to the legal relationship between the Parties, which are not set out in the present Terms and Conditions. In case of contradictions between General Business Terms and the present terms and conditions, the Contracting Parties agree that these terms and conditions shall take precedence.

2.4. The Customer can receive information and/or consultations on the use of the Card, change of PIN code and Transactions at any of the Bank's Customer service centres or by calling the Bank's Customer Centre on the business days of the Bank from 8:00 a.m. until 10:00 p.m. and on Saturdays and Sundays from 10:00 a.m. until 5:00 p.m. on the telephone 8777 (toll number).

### **3. Conclusion of the Contract**

3.1. The Customer shall submit a filled and signed (including by means of electronic authorisation provided by Ibanka terms and conditions) Application, as well as the documents on the Collateral drawn up in accordance with the requirements of the Bank and other documents requested by the Bank to the Bank.

3.2. The Bank has the right to refuse concluding the Contract and issuing the Card without giving reason for it.

3.3. If the Application is approved, the Bank shall open the Account, grant the Credit limit, produce the Card and issue the Card to the Customer.

3.4. Issuing the Card is:

3.4.1. Issuing of the Card to the Customers and its activation at the branch of the Bank, by signing the Notification by the Bank and by the Customer.

3.4.2. Delivery of the Card by postal or courier service. The Customer shall activate the Card that has been received by postal or courier service via Ibanka or at the ATM, or by calling to the Customer Centre and making a verbal request to activate the card.

3.5. The Contract shall take effect at the moment, when the Customer has submitted a filled and signed Application to the Bank and activated the Card, or has started to use the account without the activation of the Card.

3.6. The Bank assumes no responsibility for the compliance of the design of the Card of Your Style created by the Customer with the Image rules.

3.7. The Customer undertakes to correctly provide the Image code assigned by the Bank when applying for the Card of Your Style and to observe the Image rules.

### **4. Collateral**

4.1. Upon concluding the Contract, all funds (in any currency) that are deposited and will be deposited during the Contract period in any of the accounts opened for the Customer, including the interest accrued for the funds deposited and other income, are pledged in favour of the Bank as financial collateral (financial pledge) to ensure all claims by the Bank resulting from this Contract.

4.2. The Customer declares that the funds, including those in any of the accounts held by the Customer with the Bank, will be transferred into the possession of the Bank. Notes on the Customer's accounts held with the Bank made according to this Contract confirm the presence of financial collateral.

4.3. If the Customer has failed to pay amounts stipulated by the Contract on time (amounts that have matured) and in all other cases where, according to this Contract, the Bank has any claims towards the Customer, the Bank shall have the right to use this financial pledge, that is, to freely use these funds to reduce the extent of the secured liabilities resulting from this Contract (Commission fees, Late payment interest, Interest on the loan, Credit limit, Contractual penalty) or fully settle these liabilities without prior notification of the Customer and any other prior measures.

4.4. If this financial collateral (financial pledge) also secures other contracts between the Bank and the Customer, then Bank shall have the right to choose the contract and the extent of exercising this financial collateral at its own discretion. Equally, the Bank shall have the right to choose at its own discretion from which of the Customer's accounts held with the Bank to withhold funds to cover the debt resulting from these contracts.

4.5. The Bank shall have a duty to delete the mark about the financial collateral for the Customer's accounts held with the Bank if the Bank's claims resulting from this contract are fully satisfied.

### **5. Issuing the Card**

5.1. The Bank shall have the right to apply restrictions to Transactions carried out by the Card users (Card users can obtain information about

restrictions in the branches of the Bank) and set a different Credit limit from that requested by the Customer. The Bank shall notify the Customer in such a case. By signing the Application, the Customer declares that they agree with the application of the aforementioned provisions to the Cards issued under this Contract.

5.2. The Card is property of the Bank and the Card user is granted the right to use it.

5.3. The Card user must sign the Card upon receipt.

5.4. The Bank issues the Card together with a sealed envelope, which contains the PIN. The previous PIN can be retained for the Card, if it is renewed. In this case the PIN envelope shall not be issued.

5.5. The Customer is entitled to change PIN code at the Cash machine (ATM), except if less than 30 (thirty) days are remaining until the expiry of the validity term of the Card. The Bank deducts a commission charge for the change of PIN in accordance with the Price List.

5.6. Upon the Customer's request, the Bank can tie the Card to one or more Additional accounts in addition to the Account – other current accounts held by the Customer with the Bank. The Card user can use the funds in Additional accounts only for carrying out Transactions in Cash machines.

### **6. Additional Cards**

6.1. The Customer may apply for Additional cards, which will be issued to Card users appointed by the Customer.

6.2. The Bank issues Additional cards to Card users or the Customer. If Additional cards are issued to the Customer, the Customer shall hand over the Additional card to the person appointed as the Additional card user in the Contract and ensure that the Additional card user immediately signs it.

6.3. The Customer shall present the Terms and Conditions, the Price List and the General Business Terms to the Additional card users.

6.4. If the Additional card user is requested to enter the Ibanka user code, password and access code during the Card user identification when shopping online at Vendors using Supplementary security systems, the Additional card user must enter their own personal Ibanka user code, password and access code. If the Additional card user does not use Ibanka, purchases from Vendors using Supplementary security systems are not possible.

6.5. Additional cards are cancelled when the main Card is cancelled.

6.6. Additional cards can be replaced only with the Customer's approval.

### **7. Insurance**

7.1. The Customer can opt for insurance together with the Card according to the Price List.

7.2. The relations of the Insurer and the Insured shall be determined by the provisions of the Insurance Contract. The Customer or the Card user receives an information package about insurance (insurance terms and conditions) together with the Card. By signing the Notification, the Customer confirms the receipt of the insurance terms and conditions.

7.3. The insurance shall be extended for each next year, unless the Customer has declined the insurance or the Contract has been terminated. The validity term of the Card shall not affect the validity of Insurance.

7.4. The Customer hereby authorises the Bank to deduct the commission fee for insurance in accordance with the Price List. The commission fee for the insurance shall be deducted once annually in the month, when the Customer has applied for the insurance until the moment, when the Customer declines the insurance.

### **8. Using the Card**

8.1. The Card can be used only by the person whose name and signature appear on the Card. The Card user is not allowed to hand over the Card and/or its data to third parties.

8.2. The Card user may only use the Card for making transactions. Using the Card data for online Transactions also constitutes use of the Card.

8.3. The Card user shall use the Card and approve payments for Vendor goods and services by authorising a Transaction:

8.3.1. with the Card and a signature, or

8.3.2. with the Card and a PIN, or

8.3.3. with the Card and a Supplementary security system, or

8.3.4. with the Card if the Vendor does not use the Supplementary security system.

8.4. The Card user uses the Card and approves cash operations in Cash machines by authorising the Transaction with the Card and PIN.

8.5. Some Vendors use a Supplementary security system for online transactions, where they request the Customer's Ibanka user code, password and access code in addition to the Card number.

8.6. When a Transaction has been duly approved according to Articles 8.3 or 8.4, it becomes irrevocable. However, the Bank shall attempt to follow up the Transaction according to the procedure specified in Article 16.3 following

a request by the Customer.

8.7. When using the card, the Card user is prohibited from carrying out Transactions or other actions that are forbidden by the law of the Republic of Latvia.

8.8. When carrying out a Transaction with a Vendor, the Card user, upon a request of the service representative, shall present a means of identification – a citizen's passport of the Republic of Latvia or an equal document, or a driver's licence, and confirm the Transaction amount by signing the receipt.

8.9. The Card user must request that the Transaction with the Card is carried out in his/her presence and must not sign the receipt if the Transaction amount does not appear in it.

8.10. When using the Card in Cash machines or with Vendors who have PIN-enabled equipment installed at their business premises, the PIN replaces the signature and is regarded as sufficient identification of the Card user and confirmation of the Transaction.

8.11. Before signing a proof of Transaction or entering the PIN, the Card user must verify that the Transaction amount stated in the proof of Transaction document is the same as the actual Transaction amount. The Card user must sign the proof of Transaction document with the same signature as appears on the Card.

8.12. If in the process of Transactions an incorrect PIN is entered 3 (three) consecutive times, the Card is retained by the Cash machine. To prevent illegal use of the Customer's funds, the Card is suspended and it must be replaced with a new Card.

8.13. If incorrect PIN is entered 3 (three) consecutive times when using the Card at a Vendor's premises, the Card is automatically suspended. In such a case, the Bank will restore the Card to operational status following a written request by the Customer.

## **9. Storing the Card**

9.1. The Card user has the duty to carefully store the Card and Card data, keep the PIN confidential and prevent third parties from gaining access to them.

9.2. It is forbidden to store the PIN together with the Card. The violation of this rule is considered gross negligence by the Customer.

9.3. The Card user has the duty to store and use the Card carefully and prevent mechanical or electronic damage to it.

## **10. Lost Card**

10.1. If the Card is lost or stolen or if the PIN has become known to any other person, or if the Card user suspects the unsanctioned use of the Card or Card data, the Card user must immediately report this fact to the FDL on the telephone (+371) 67092555 or Customer Centre of the Bank during the working hours of the Bank on the telephone 8777 (toll number).

10.2. If the Card has been lost or stolen abroad, the Card user must immediately report it to FDL and notify the nearest police department in writing. The Card user must report a lost or stolen Card to the Bank in writing not later than within 14 (fourteen) days after the loss or theft.

10.3. If a Card that has been reported as lost or stolen is found, the Card user must immediately notify the Bank thereof and not use the Card until permission from the Bank is received. If the Card has only a magnetic stripe, it must be immediately handed over to the Bank to be replaced with a new Card. A smart card can be made operational again if the Card user has not used it following the report of loss.

## **11. Stopping the Use of the Card**

11.1. By a request of the Card user, the Bank suspends the Card and includes it in the Stoplist.

11.2. The Bank has the right to unilaterally stop the usability of the Card and place all Cards linked to the Account in the Stoplist by notifying the Customer in advance or immediately afterwards if the Credit limit has been exceeded or if the Card user violates any other provisions of the Contract. Following the correction of such violations, the Bank may renew the operation of the Cards by removing them from the Stoplist.

11.3. The Bank has the right to unilaterally stop the usability of the Card by notifying the Customer in advance or immediately afterwards if it, at its own discretion, notices Transactions that are not characteristic to the Card user. If the Card user confirms to the Bank that he/she has been conducting the non-typical Transactions, the Bank shall renew the operation of the Card.

11.4. The communication with the Customer described in this section can be effected using the Customer's telephone number listed in the Application.

## **12. Payment procedure**

12.1. The funds available in the Account are used for Transactions carried out by using the Card.

12.2. The payments for the Transactions performed in the territory of the

Republic of Latvia shall be made in euro currency.

12.3. International Bank settlements shall be made in euro currency. Upon performing the transaction with the Card in other currency than the currency of the funds kept on the Account, the amount of the purchase shall be reserved, by converting it in accordance with the exchange rate of European Central Bank on the respective day to the respective sum in account currency. On the date, when the Transaction record is made in the Account of the Customer, the conversion shall be performed in accordance with the currency purchase/sales rate of the Bank on the respective date.

12.4. If during the performance of the Transactions, the account currency linked to the card is not the same as the currency of the Transaction, or the currency of payment, the currency exchange surcharge shall be applied in accordance with the Price List.

12.5. By approving the Transaction, the Customer accepts the applicable exchange rates of the Bank and VISA/MasterCard used for posting the Transaction in the account. A Transaction may not be challenged in the basis of currency exchange rate.

12.6. The Customer's representative shall constantly monitor the Transaction amounts and ensure that the total amount of Transactions during one Calculation period does not exceed the funds available in the Account.

12.7. If the Card user has carried out a Transaction, but the funds in the Account and, in cases provided for in the Terms and Conditions, in the Additional accounts, are insufficient to pay for it, the Customer shall immediately repay to the Bank the overdrawn amount by depositing the required sum to the Account.

12.8. The Customer shall top up the monetary funds available in the Account by the Monthly repayment amount not later than before the end of the Payment period.

12.9. The Customer shall ensure sufficient funds on the Account at the end of the Payment period in order to enable Payment for the used credit limit.

12.10. The Customer shall pay the commission fees and other fees for the Bank's services in connection with the issue, replacement and renewal of Cards, Transactions and Insurance according to the Price List and the Terms and Conditions.

12.11. The Bank shall be entitled to deduct payments from the Account and from the Customer's other accounts held with the Bank and to cover Customer's liabilities by means of these funds according to the following procedure:

- Card issue fee shall be collected upon the issue of the Card to the Customer;
- Card fee shall be collected once annually in the month of Card issue;
- Commission for Transactions by using the Card shall be deducted after the Transaction;
- Late payment interest;
- Payment for the credit limit used – Interest on the loan;
- Monthly repayment amount or Credit limit and the exceeded Credit Limit;
- Contractual penalties; other payments, which the Customer must cover according to the Terms and Conditions.

12.12. Filling the "Direct transfer order" section of the Application means that the Customer authorises the Bank to deduct the Monthly repayment amount from the Account stated in the Application without further approval and procedures. If the funds in the Customer's account stated in the Application are insufficient for completing the Direct transfer order, the Bank shall be entitled to deduct amounts from the Customer's other accounts held with the Bank as well. The Customer has the right to recall or change the Direct transfer order in writing before the end of the business day preceding the date of completion of the respective Direct transfer order. Such recall or changes requested by the Customer shall apply to all subsequent Direct transfer orders. If necessary, the Bank shall convert currencies according to the exchange rate approved by the Bank on the day of payment when completing Direct transfer order.

12.13. The payment order issuing and processing procedure is regulated by the Current account Terms and Conditions for natural persons.

12.14. The Card user carries out a Transaction involving the use of Ibanka according to applicable Terms and Conditions issued by the Bank for natural persons.

## **13. Credit Limit**

13.1. In addition to the monetary funds in the Customer's Account, the Customer may use the Credit limit granted by the Bank to settle the Transactions.

13.2. For using the Credit limit, the Customer pays Payment for the use of the Credit limit – Interest on the loan in the amount according to the Price List.

13.3. The Customer repays the Credit limit used in the Calculation period into the Account during the next Payment period in the amount of Monthly repayment amount.

13.4. The used Credit limit becomes available to the Customer to the extent repaid by the Customer.

13.5. If the Credit limit is increased, the Bank shall ensure the availability of additional funds (to the extent of the Credit limit increase) in the Account before the end of the next business day of the Bank. If the Credit limit is reduced, the Customer has a duty to repay the difference between the previously set Credit limit and the new Credit limit within 30 (thirty) calendar days.

13.6. The Bank has the right to unilaterally reduce the Credit limit or cancel it if the conditions, on the basis of which the Credit limit was granted, have changed. The Customer shall be notified of the changes applied to the Credit limit by the Bank using means of communication suitable for the Bank (including telephone, e-mail, etc.).

13.7. If the Customer requests an increase of Credit limit, the Bank has the right to refuse the increase of Credit limit or offer a smaller increase than that requested by the Customer.

13.8. The Bank has the right to unilaterally terminate the operation of the Card and block the Account in the amount of the Credit limit, notifying the Customer or/and the Card user thereof if the Bank has discovered that at least one of the conditions mentioned in Article 18.2 of the Terms and Conditions has set in.

13.9. If the Bank has terminated the operation of the Card and blocked the Account in the amount of the Credit limit according to Article 13.8 of the Terms and Conditions, then the Customer shall have no unilateral right to use the funds available in the Account until the matured payments due under the Contract are fully settled and the Account is unblocked to the extent of the Credit limit. The Bank undertakes to unblock the account once the reasons for it being blocked are eliminated, i.e. the delayed payments are settled.

#### **14. Account Report**

14.1. The Bank provides the Customer with a report containing all Transactions carried out using the Cards linked to the Account during the Calculation period, Account balance and Credit limit and also stating the Monthly repayment amount and Calculation period.

14.2. If the Customer uses Ibanka, the information indicated in Article 14.1 is available in Ibanka immediately after a Transaction.

14.3. In other cases, if the Customer has requested so, the Bank shall send a printed report for each Calculation period to the Address stated in the Application. The Customer shall be charged for preparation and delivery of the Account report in accordance with the Price List.

14.4. Failure to receive the report does not release the Customer from the obligation of the timely fulfilment of liabilities.

14.5. The Customer has a duty to check the Account report at least once a month. The Customer shall inform the Bank immediately of any incorrect or erroneous, or Unauthorised Transactions upon discovery of such.

#### **15. Card Validity Period and Card Replacement**

15.1. The expiration date of the Card is shown on the Card and the Card is valid until the last day (inclusively) of the month written on the Card. The use of the Card by the Customer after its expiry date is prohibited.

15.2. After the expiry of the validity period of the Card, the Card user must return it to the Bank for disposal or dispose it themselves.

15.3. When the Card expires, the Bank shall produce a new Card with a new expiry date, except for the cases where:

- at least 30 (thirty) calendar days before the Card expiry date, the Customer has submitted a request to the Bank not to renew the Card, provided that the Credit limit is fully repaid and the Account will be closed as well.
- at least 30 (thirty) calendar days before the Card expiry date, the Customer has submitted a request to the Bank to terminate the Contract;
- the Collateral is insufficient to fully cover the Customer's liabilities;
- the Bank has revealed that the Customer and Card user have violated the Terms and Provisions of the Contract.

15.4. The Customer can receive the new Card at the Bank not sooner than one week before the expiration date of the previously used Card. The old Card must be handed over to the Bank.

15.5. If the Customer, using his rights, has changed the PIN code at a Cash machine (ATM), then upon the expiry of the Card's validity term the validity of the PIN code also terminates and together with a renewed Card the Customer receives a new PIN code.

15.6. The Bank has the right to cancel the Card and unilaterally withdraw from the contract if the Card user has not picked up the Card within 2 (two) months. Unilateral withdrawal from the Contract takes place in accordance with the procedure provided for by Article 18.2.

15.7. The parties hereby agree and the Customer fully accepts that, in case of Card replacement or renewal, the Bank may issue another type of Card instead of the previously used Card.

15.8. The Bank shall be entitled to close the Card, if it has been sent to the Customer by post, but the Customer has failed to activate the card within 4 weeks since it was sent to the Customer.

#### **16. Dealing with Complaints**

16.1. If the Customer has any complaints concerning the operation of the Bank in relation to the Contract, they must be submitted to the Bank in writing.

16.2. More detailed information concerning the complaint procedure is available on the Bank's website at [www.seb.lv](http://www.seb.lv), in the "Your Opinion" section.

16.3. The Bank shall review the Customer's complaints according to the deadlines set by international payment card organisations. The Bank shall notify the Customer about the progress of complaint processing in writing within 45 (forty-five) days from the date it was received. If the Bank reveals errors in the report during the complaint processing, the Bank shall refund the damages incurred by the Customer. If the Customer's complaint proves to be unfounded, the Bank shall charge the Customer for the processing of the complaint according to the Price List.

16.4. The Bank shall process the Customer's complaint within 10 (ten) business days from the date it was received if the payment service provider of the Vendor involved in the disputed Transaction is located in the European Economic Area and the Customer motivates the complaint with the following circumstances:

16.4.1. A correct Transaction amount was not specified at the authorisation of the Transaction, and

16.4.2. the Transaction amount exceeds the amount that the Customer could have expected for the Transaction, taking into account the Customer's previous payment history, provisions of the Contract and the respective circumstances.

16.5. If the Customer submits a complaint about an incorrectly, erroneously completed or Unauthorised Transaction and the payment service provider of the Vendor involved in the disputed Transaction is located in the European Economic Area, the Bank shall immediately, but not later than within 5 (five) business days, refund the amount of the incorrect, erroneous or Unauthorised Transaction to the Customer or dismiss the complaint. The Customer understands that the repayment of such a transaction does not reflect the Bank's opinion about the validity or groundlessness of the complaint. The Bank has the right to continue processing the complaint according to Article 16.3 and the Bank shall notify the Customer if the complaint proves to be unfounded. At the same time, the Bank has the right to deduct the refundable amount from any of the Customer's accounts held with the Bank, as well as the commission fee for processing of an unfounded complaint according to the Price List, without prior notice.

16.6. The Customer understands that attempted fraud is subject to criminal liability according to the law of the Republic of Latvia.

#### **17. Liability**

17.1. The Contracting parties are responsible for compliance with the Terms and Conditions of the Contract and for the damages caused to the respective other Contracting party.

17.2. The Bank bears no responsibility towards the Customer for any incorrectly or erroneously completed or Unauthorised Transactions if the Customer has failed to provide a notification according to Article 14.5 of the Terms and Conditions within thirteen months from the date of debiting of the incorrectly or erroneously completed or Unauthorised Transaction.

17.3. The Customer shall assume responsibility in the amount of up to 150 euros for damages incurred as a result of Unauthorised Transactions:

17.3.1. if the Card has been lost or stolen; or

17.3.2. if the Customer has failed to ensure secure storage of the Card data and/or PIN to prevent illegal use of the Card.

17.4. The Customer shall assume full responsibility for damages incurred by the Customer as a result of Unauthorised Transactions if:

17.4.1. the Customer has committed fraud; or

17.4.2. the Customer has, deliberately or due to gross negligence, failed to comply with the provisions of the Contract.

17.5. The Customer shall bear responsibility for Transactions carried out by using all Cards issued under the Contract and the use thereof in accordance with the Terms and Conditions.

17.6. The Customer shall be responsible for the Transaction and Card restrictions in this section until the Card user has reported the loss or theft of the Card to the Bank or FDL.

17.7. The Customer shall pay a Contractual penalty for the delayed settlement in the amount indicated by the Price List for the delay in topping up the Monthly repayment amount on time.

17.8. The Customer shall pay Contractual penalty for the exceeded Credit Limit in the amount provided for by the Price List if the Transactions are



performed without the respective coverage of financial funds on the account (the Credit limit is exceeded).

17.9. The Bank shall bear no responsibility for damages or disputes between the Card user and the Insurer.

17.10. The Bank shall bear no responsibility for the failure to process or the incomplete processing of the Card user orders, as well as for errors, delay, inaccuracies and other faults arising from incomplete or incorrectly completed documents or orders by the Customer and Card users, due to fault of third parties and, as well damages caused by communication providers.

17.11. The Bank shall bear no responsibility for the refusal of third parties to accept the Card. The Bank shall bear no responsibility for the quality of goods and services purchased by using the Card. The Bank shall bear no responsibility for restrictions imposed by third parties, which could infringe upon the interests of the Card user.

17.12. The Bank shall not be liable for interruptions in communications and/or technical connections that may cause non-performance or incomplete performance of the Card user's order and that have occurred due to a fault of a third party, as well as losses caused by communication organizations that have not been caused by the Bank's gross negligence.

17.13. When signing the Application, the Customer confirms that he is aware of the risks related to the use of the Card and possible disturbances in communications and/or technical connections that may cause non-performance or incomplete performance of the Card users' orders and that have not been caused by the Bank's gross negligence.

17.14. The Contracting parties bear no responsibility for partial or complete failure to comply with the obligations under the Contract, which have resulted from the influence of Force Majeure and which could not have been reasonably foreseen, prevented or influenced.

## **18. Termination of the Contract**

18.1. The Contract has been concluded for an indefinite period and is valid until complete fulfilment of the obligations assumed thereby. The Card expiry date is not regarded as the termination date of the Contract.

18.2. The Bank has the right to unilaterally withdraw from the Contract immediately and to request the premature fulfilment of Contract obligations from the Customer in any of the following circumstances:

18.2.1. the Card user or the Customer fails to fulfil the liabilities towards the Bank;

18.2.2. the Customer has delayed any of the payment terms indicated in the present Contract (including the terms for repayment of Contractual penalty, Monthly repayment amount, Payment for the credit limit used – Interest on the loan, Late payment interest, overdrawn financial resources, Credit limit) for at least 30 (thirty) days.

18.2.3. the collateral is insufficient to fully cover the Customer's liabilities;

18.2.4. The Customer has not collected the Card within 2 (two) months since its production;

18.2.5. the Bank has obtained information that the Customer has provided inaccurate, untrue and/or deceptive information;

18.2.6. an insolvency procedure, debt collection procedure related to liabilities arising from any other contract concluded with the Bank or SIA SEB lizings has been initiated against the Customer and/or related persons of the Customer (the spouse of the Customer, the Card user);

18.2.7. the Bank has obtained information about potential, forthcoming or existing threat by third parties or other conditions outside the scope of direct or indirect influence or control of the Bank, which could cause damages or affect the security, inviolability or confidentiality of the deposits and services of the Customer, Card users and/or other persons of the Bank customers.

18.3. If the Bank uses its rights under the Article 18.2 of these Terms and Conditions, the Customer shall have a duty to repay the payments that are due according to the Contract within the deadlines stated in the notification mentioned in Article 18.3.

18.4. The Customer shall be liable for the Transactions that have been performed with the Card for 40 (forty) calendar days after the termination of its operation.

18.5. By signing the Application, the Customer authorises the Bank to transfer funds present and paid into any of the Customer's accounts held with the Bank for settling the whole Credit limit and the payments resulting from the Contract without prior approval and any further authorisation.

18.6. If there are no sufficient funds available in the Customer's accounts held with the Bank to settle the used Credit limit and the payments resulting from the Contract, the Bank shall have the right to collect the debt amount in full according to the procedure specified in the Contract.

18.7. The Customer confirms that they have read and agree to the present Terms and Conditions, the Price List and General Business Terms. The Customer agrees that the Bank may process (including submission to third parties in the required amounts) all personal data indicated in the Application

and additionally submitted documents in accordance with the regulatory enactments and in accordance with the objectives, scope and conditions provided for by General Business Terms. General Business Terms and information on data processing operators is accessible on the Internet web page [www.seb.lv](http://www.seb.lv) and the branches of AS SEB banka

18.8. The Customer has the right to unilaterally withdraw from the Contract by submitting a written application to the Bank accompanied by all Cards linked to the Account, subject to complete fulfilment of the obligations under the Contract. Such application shall be regarded as a request by the Customer to the Bank to terminate further performance of the Contract from the moment of receipt of such application. The Financial pledge is subject to Article 4.1 of the Terms and Conditions following the termination of the Contract.

18.9. The Bank shall perform the required actions to deny the Card user the possibility to carry out Transactions in the basis of a written application by the Customer.

18.10. The Contract shall be valid until complete fulfilment of the Customer's obligations described therein and shall be regarded as completed when the Customer has repaid all payments provided for by the Contract, including the commission fees, Insurance-related payments, Late payment interest, Interest on the loan, used and exceeded Credit limit, Contractual penalty, as well as the costs related to debt recovery and other payments that are due according to the Contract.